



# GLOBAL SUPPLIER CODE OF CONDUCT

*Updated August 2022*

## 1.0 EXECUTIVE SUMMARY

### 1.1 Purpose

At Kellogg, we are driven by our Vision and Purpose.

Our Vision is a good and just world where people are not just fed but fulfilled.

Our Purpose is creating better days and a place at the table for everyone through our trusted food.

In our pursuit of these, we are committed to upholding and practicing our K Values, integrity, accountability, passion, humility, simplicity, and results, in all of our actions. Our founder, W.K. Kellogg, built our company upon these foundations, which he exemplified in the way he conducted business, treated employees, and served the community. Our Vision and Purpose ensure we focus on our consumers and customers and our K Values ensure our actions are legal, ethical, and responsible throughout all of our operations.

### 1.2 Scope

As our company has grown so has our global reach and, by extension, our responsibilities to the people and communities that we serve, including our consumers, employees, suppliers, and all those involved in and affected by our operations. This is why we have the same expectations for all of our supply chain partners and their operations as we do for ourselves.

This Global Supplier Code of Conduct outlines the standards and business practices we require all of our direct and extended Suppliers to adhere to in all aspects. The scope of this requirement includes all tiers of suppliers, manufacturers, contractors, joint venture partners, agents, distributors, and consultants (each a “Supplier” and collectively “Suppliers”). It also extends to parent, subsidiary, agents, subcontractors, and affiliate entities and applies to all employees, including permanent, temporary, contract, foreign, or migrant workers (each an “Employee” and collectively “Employees”). It is the Supplier’s responsibility to ensure compliance with both the intent and letter of this Code among all Employees and throughout its supply chain, including all sub-tier suppliers/individuals, through dissemination, education, and verification.

Kellogg reserves the right to verify compliance with this Code through internal or external assessment mechanisms such as, but not limited to, self-assessment questionnaires, independent assessments, surveys, and audits. We reserve the right to terminate any



agreement or business relationship in which a Supplier does not comply with this Code.<sup>1</sup>

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<sup>1</sup> This Supplier Code of Conduct applies to all Suppliers and is considered a minimum basis for operational conduct. Should a specific Supplier contract contain more stringent provisions or requirements, that direct contract will supersede in the event of inconsistency with this Code.

<sup>2</sup> Acknowledgement and agreement to the tenets of this Code are required in every Kellogg contract. In the absence of a direct contract, acceptance of a Purchase Order, and its associated standard Terms & Conditions, commits the Supplier and all of its operations to adherence of this Code.

## 2.0 POLICY

### 2.1 Business Integrity

#### Legal Compliance

Suppliers must comply with all applicable laws and regulations within the countries that the Supplier operates. For Service Providers, the location of service delivery shall take precedence. Suppliers shall also comply with all treaties and international standards and regulations such as those related to international trade (including sanctions, export controls, and reporting obligations) data protection and data transfer rules, and anti-trust competition laws.

#### Anti-Corruption

Suppliers must not, directly or through others, offer, promise, give or accept any form of payment or incentive to gain an improper business advantage. Suppliers must not engage in fraud, bribery (including facilitation payments), kickbacks, money laundering, embezzlement, extortion, or any other form of corruption. Suppliers must, as applicable, comply with the [United Nations Convention against Corruption](#), the [U.S. Foreign Corrupt Practices Act](#), and the [UK Bribery Act](#) and shall not take any actions to violate, or cause business partners to violate, any applicable anti-bribery or anti-corruption laws.

#### Conflicts of Interest

Suppliers must disclose any situation that is an actual or may appear as a conflict of interest, including economic ties or personal relationships including, familial, romantic, or close personal friendship held between their Employees, Kellogg employees, or elected officials in jurisdictions in which we operate.

#### Business Gifts

Suppliers may offer our employees modest refreshments, business meals, and modest entertainment and/or business gifts of a nominal value, such as company logoed ball caps, pens, and pads of paper. Such offers must be infrequent and must not have an appearance of impropriety. Cash or cash equivalents like gift cards, gift certificates, and stocks are never appropriate. We expect our employees to follow similar guidance.

#### Fair Competition

Suppliers must not engage in illegal cooperation with competitors including bid rigging, price fixing, market

allocations, or any other prohibited conduct that limits free and fair competition.

**Confidential Information** Suppliers must secure Kellogg information, use it only as instructed, safeguard it from unauthorized access or disclosure, retain such information as required by agreement or law, and return or destroy Kellogg information as instructed or as required by agreement at the termination of a supplier engagement. In addition, Suppliers must comply with privacy and information security laws and regulatory requirements, where applicable, when collecting, processing, storing, transmitting or sharing personal information related to Kellogg employees, customers, suppliers, and consumers. These obligations continue after our business relationship ends.

## 2.2 Quality, Health & Safety

**Product Quality & Safety** Suppliers must provide Kellogg with high-quality products, ingredients, and services that meet all applicable quality and food safety standards. Suppliers must demonstrate that they have robust food-safety and quality-management systems, following the [Hazard Assessment and Critical Control Points \(HACCP\) Principles](#). Suppliers must immediately report to Kellogg any concerns about product safety.

**Work Environment** Suppliers must provide their Employees safe and healthy working conditions, including potable drinking water, adequate sanitation, lighting, temperature, ventilation, and suitable facilities for women's health needs. Facilities should be structurally sound and well maintained in accordance with all applicable laws and regulations.

**Right to Water & Sanitation** As outlined in the [United Nations General Assembly Resolution 64/292](#) suppliers shall ensure that the basic human right to water is respected and upheld throughout their supply chain. This includes, but is not limited to, sufficient water supply for individuals, safe water supply for individuals, and acceptable i.e., color, taste, odor, physically accessible, and affordable.

**Occupational Safety**

Suppliers must provide adequate and appropriate training and protection for Employees from potential safety hazards, including, but not limited to, those associated with electrical, structural integrity, machinery, chemicals, toxins, vehicular, fall hazards, and facility layout. Employees shall be provided with appropriate and well-maintained personal protective equipment (PPE). PPE is to be provided by the Supplier at no cost to the Employee. Suppliers shall ensure that educational and training materials associated with safety and potential hazards are disseminated to all Employees, as appropriate for their roles, and in their primary language. Health & Safety related protocols should be clearly displayed within the facility or on site of operations. Suppliers should document, investigate, and report to the appropriate authorities any incidents that result in injury to an Employee requiring care beyond basic first aid.

**Housing**

When living accommodations are provided for Employees, either by the Supplier, a Labour Agent/Agency, or other affiliate, the facilities must be clean, safe, and structurally maintained in accordance with all applicable laws and regulations. Facilities should promote basic human dignity through access to potable water, sanitary food preparation areas, reasonable personal space, adequate heat and ventilation, clean and well-maintained bathrooms, and showers. All facilities must have clear and unrestricted exits for the event of a potential emergency situation.

**Emergency Preparedness**

Suppliers shall identify and assess potential emergency situations and develop response procedures accordingly for all facilities and areas of operation. These shall include emergency reporting, Employee notification and evacuation procedures, appropriate first-aid supplies, fire detection and suppression equipment, and clear and unrestricted exits. Regular training and drills should be conducted to ensure Employees could execute response procedures in the event of an emergency. Emergency exit routes should be clearly posted, preferably using infographics.

**2.3 Labor Standards****Human Rights**

Suppliers must respect their Employees by ensuring them, within the context of the Supplier's business operations, a

right to life, personal liberty, and personal security. Suppliers must comply with all applicable laws and regulations, including treaties and international standards such as the [UN Global Compact's Ten Principles](#), [UN Guiding Principles](#), [Universal Declaration of Human Rights](#), [International Bill of Human Rights](#), [OECD Guidelines for Multinational Enterprises](#), and the eight [International Labour Organization](#) (ILO) fundamental conventions as set out in the [Declaration on Fundamental Principles and Rights at Work](#). This includes commitment to the four core conventions in all contexts: [Freedom of association and the effective recognition of the right to collective bargaining](#) (Convention No. 87 & No. 98); [The elimination of all forms of forced and compulsory labour](#) (Convention No. 29 & No. 105); [The effective abolition of child labour](#) (Convention No. 138 & No. 182); [The elimination of discrimination in respect of employment and occupation](#) (Convention No. 100 & No. 111).

Special attention to ensure these rights are upheld should be given to those who are at heightened risk for vulnerability or marginalization including but not limited to women, young people, indigenous peoples, minorities, people with disabilities, and migrant and/or foreign workers. These considerations should be done so in alignment with the various human rights instruments designed to protect the rights of individuals/groups including UN Conventions such as the UN Conventions on the Elimination of all Forms of Discrimination Against Women, UN Convention on the Rights of the Child, UN Convention on the Elimination of All Forms of Racial Discrimination, and the UN Convention on the Rights of Persons with Disabilities.

## **No Forced Labor**

In accordance with the ILO definition of [forced labor](#), Suppliers shall not use, or facilitate the use of, forced labor in any of its forms including involuntary, compulsory, indentured, bonded, slave, or human-trafficked labor. Employees shall not be coerced to work through the use of violence or intimidation or through means such as manipulated debt, retention of identity papers, or threats of denunciation to immigration authorities. Suppliers may use Employees in an official and voluntary government prison rehabilitation programs and must ensure workers are subject to the same terms, conditions, and wage rates as other Employees.

**Recruitment Fees**

Suppliers must follow the [Employer Pays Principle](#) and adhere to the tenet of the [Priority Industry Principles](#) that “No worker should pay for a job”. Employees shall not pay any fees or costs to the Supplier, Labour Agent/Agency, or any other third party associated with recruitment. Examples of fees and costs include, but are not limited to, legal fees, travel, lodging, passport and visa processing, medical exams, in-country support services, personal protective equipment, and training.<sup>3</sup>

**Freedom of Movement**

Suppliers must not restrict Employees’ freedom of movement through confining, imprisoning, or detainment during or outside of work hours at any location, including worksites or Employee residences in accordance with the [Priority Industry Principles](#)’ tenet that “Every worker should have freedom of movement”. Suppliers shall not withhold, or keep in their possession, any Employee documents or items, including passports, identity papers, jewelry, ATM cards, or land deeds. All efforts should be made to provide Employees with safe and secure locations to keep such items, which they may access at any time without notification to, or intrusion from, any other individuals.<sup>3</sup>

**Coercion**

Suppliers, Labor Agents/Agencies, or other affiliates, shall not use any means of coercion such as intimidation, threats, or harassment, directly or indirectly, to pressure Employees into accepting or staying in a job. All Employees are to freely choose their employment and must be aware of all terms and conditions associated with their employment status, job functions, compensation, and process for termination of employment by either the Supplier or Employee. The Supplier, Agent/Agency, or other affiliate, shall provide this information to the Employee in their primary language and all contractual elements are to be agreed upon before the commencement of employment activities. Records of all Employee contracts and agreements should be kept and be available for review or verification purposes by Kellogg or an appointed third party. The Supplier shall act in accordance with the [Priority Industry Principles](#)’ tenet that “No worker should be indebted or coerced to work”<sup>4</sup>

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<sup>3</sup> Additional guidance regarding the Priority Industry Principles can be found [here](#)

<sup>4</sup> Additional information regarding the Priority Industry Principles can be found at [theconsumergoodsforum.com](http://theconsumergoodsforum.com)

**Child Labor**

Suppliers shall not employ anyone under the age of 15, under the minimum age of work, or under the minimum age for completing mandatory schooling as specified by local law. Suppliers must follow the higher law/requirement in instances where there is a contradiction. Suppliers shall comply with [ILO Convention 138](#) on the Minimum Age for Admission to Employment and Work, and [Convention 182](#) on the Elimination of the Worst Forms of Child Labour. Exceptions are subject to those allowed under national law and outlined by the [ILO](#). Per the ILO, any work that is likely to jeopardize children's safety or physical, mental, or moral health should not be done by anyone under the age of 18.

**Retaliation**

Suppliers shall not engage in any form of retaliation including threats, intimidation, physical, or legal attacks against human or environmental rights defenders, or those exercising their rights to freedom of expression, association, peaceful assembly, or protest against the business or its operations.

**Working Hours**

Suppliers shall comply with all applicable laws and regulations, or collective agreements, regarding maximum working hours, compensation rates, overtime, vacation time, leave periods, maternity/paternity leave, and public holidays. All overtime hours are to be voluntary and compensated at a [premium](#) rate unless otherwise noted in a legitimate CBA. Working hours are not to be excessive, such that the health or safety of the Employee are negatively impacted. Appropriate rest time, mealtime, and days off are to be provided to ensure a safe working environment and in accordance with all local laws or collective agreements.

**Wages and Benefits**

Suppliers must provide fair compensation that is, at a minimum, in compliance with all applicable wage and hour laws, rules, and regulations, including those associated with legally mandated benefits, overtime work, and other premium payment situations. Wages should be applied at a rate that is comparable with relevant standard industry living wage compensation. Suppliers shall provide Employees with timely payment and include transparent wage statements that can be used to verify compensation. Deductions from wages for disciplinary measures are prohibited. No deductions shall be made from Employee wages other than those required or permitted by law. Loan



repayments from Employees to Suppliers, Labour Agents/Agencies, or other affiliates, shall not include excessive interest rates or be done in a manner that creates a situation of indebtedness or indentured labor as defined by the Consumer Goods Forum.<sup>5</sup>

### **No Harassment**

Suppliers must treat all Employees with respect and dignity. Suppliers must ensure a work environment free from bullying, intimidation, coercion, corporal punishment, or harassment in any form, including physical, psychological, sexual, or verbal. Special attention should be given to those who are at heightened risk for vulnerability or marginalization due to age, color, race, ethnicity, disability, family or marital status, gender identity, gender expression, nationality, religion, sex, or sexual orientation.

### **No Discrimination**

Suppliers shall act in accordance with [ILO Convention No. 111](#) on Discrimination (Employment and Occupation) and make employment decisions including hiring, payment, benefits, advancement, termination, and retirement based on ability, qualifications, and achievements without preference or exclusion based on age, color, race, ethnicity, disability, family or marital status, gender identity, gender expression, nationality, religion, sex, sexual orientation, temporary, contracted, or permanent employment, or other status. Suppliers must demonstrate that women and men with similar ability, qualifications and achievements are afforded similar opportunities and those who undertake the same or similar work are afforded similar wages, benefits, contract terms and facilities. Differences in pay should only be due to legitimate factors such as differing levels of experience, performance, tenure and the like.

### **Right to Organize**

Suppliers must respect the rights of their Employees to freely associate, organize, and bargain collectively, where allowed by law. Employees, or their representatives, shall be allowed to openly communicate with management regarding working conditions or management practices without fear of discrimination, reprisal, retaliation, intimidation, or harassment. Where rights to freedom of association and collective bargaining are restricted under law, Suppliers shall

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<sup>5</sup> CGF definitions can be found [here](#)

facilitate, and not hinder, the development of parallel means for independent and free association and bargaining. This may include the facilitation of free choice by workers to elect their own workplace representatives.

**Work Documentation** Suppliers must only employ Employees with legal authorization to work in accordance with all local laws and regulations. Authorization must be validated through appropriate legal documentation. Suppliers shall not confiscate, or in any way withhold, legal documentation of Employees.

**Ethical Employment** Suppliers shall not endeavor to avoid obligations of labor or social security laws or regulations through the use of labor-only contracting, sub-contracting, home-working arrangements, apprenticeship schemes, or the excessive use of fixed-term contracts. All third-party employment arrangements shall comply with [ILO Convention No. 181](#) on Private Employment Agencies.

## 2.4 Sustainability / Land Use

**Environment** Suppliers shall comply with all applicable environmental laws, regulations, and operating permits, maintaining a status of legally compliant at all times. Suppliers shall support our Corporate Responsibility commitments through continuous improvement and performance measurements of environmental and social indicators within own operations and throughout their supply chain. Activities may include, but are not limited to; implementing best practices or sustainability initiatives related to manufacturing operations, agricultural practices, or production systems, participation in capability building partnerships, or providing additional data and information. Suppliers must strive to reduce and/or optimize their use of energy, water, and agricultural inputs, reduce greenhouse gas emissions, minimize water pollution, and waste, including food waste and landfill usage. Suppliers shall report progress on key performance indicators at least once a year, or as requested by Kellogg.

**Deforestation** Suppliers shall support Kellogg requests for collaboration, information, or action regarding deforestation related issues, including, but not limited to, traceability, transparency, and

capability building activities in support of industry commitments. Suppliers shall adopt and implement their own commitments and policies to monitor and remediate adverse environmental and/or societal impacts of deforestation as a result of sourcing activities throughout their supply chain. Suppliers shall work with their supply chains to halt any and all new development of [High Conservation Value](#) and [High Carbon Stock](#) areas. Any products that have been sourced from HCV or HCS areas developed after December 31, 2015 will be considered in violation of this Code and Kellogg reserves the right to take action to address or remove non-compliant entities from its supply chain. Additional requirements regarding forest protection can be found in the [Global Policy on Deforestation](#) and the [Global Palm Oil Policy](#).

## **Land Rights**

Suppliers must respect the land rights of women, indigenous people, and local communities affected by their operations and sourcing practices. Suppliers must ensure transparent reporting and disclosure of concession agreements and/or operating permits. All documentation shall be provided to all affected communities in their primary language. Suppliers must ensure fair negotiation of land transfers and refrain from cooperating with any host government's illegitimate use of eminent domain to acquire land that will be used to provide products and services to Kellogg. Suppliers shall adhere to the principle of [Free, Prior and Informed Consent of Indigenous Peoples](#). Suppliers must identify and engage with small-scale producers to ensure they have access to fair market value for their crops, goods or services. Suppliers shall not engage in any form of land-grabbing.

## **2.5 Management Practices**

### **Systematic Approach**

Suppliers shall maintain a culture of integrity and compliance and provide sufficient oversight to ensure compliance with all applicable laws and standards, including this Supplier Code. This includes having an individual(s) with sufficient authority ensure compliance and communication of such laws and standards within the Supplier's own operations and throughout their associated supply chains.

### **Grievance Reporting**

Suppliers shall provide means for confidential complaint/concern reporting to all Employees, taking into

consideration the best practice guidelines highlighted in the [UN Guiding Principles](#). Issues should be addressed in a timely and respectful manner and include documentation of corrective actions. In addition, we encourage Suppliers to communicate the availability of Kellogg Company's ethics hotline as a way for Employees throughout our collective supply chain to report grievances at <https://www.tnwgrc.com/Kellogg/>.

**Business Continuity**

Supplier will develop a business continuity plan and process to recover production process or services in the event of a natural disaster or other event that disrupts the production processes, services, or the ability of the supplier to meet its delivery commitments to Kellogg. If requested by Kellogg, the Supplier will review its business continuity plan and make changes as agreed with Kellogg, subject to any confidentiality requirements.

**Supplier Diversity**

Suppliers should endeavor to use companies with diverse ownership throughout their supply chain, giving additional consideration to disenfranchised groups in an effort to support and cultivate a culture of diversity throughout our collective supply chain.

**Record Keeping**

Suppliers shall maintain all financial books, records, and accounts in accordance with applicable regulations, laws, and generally accepted accounting principles. This requirement includes data and documentation related to all payments made to government officials or entities, product traceability, food safety, Employee safety, and any additional requirements, documents, and records required by law, or requested by Kellogg.

**Compliance Verification**

Suppliers should review both owned operations and the operations of those supply chain partners that provide goods and services to Kellogg to verify compliance with this Code. This includes ensuring that the Code is available and communicated to all Employees in their primary language. Suppliers will cooperate with, and allow, Kellogg or an authorized third party to conduct audits (including social accountability audits) to verify compliance. If Kellogg identifies violations with this Code, Kellogg will work with the supplier to remediate issues. If issues are not sufficiently



resolved, Kellogg reserves the right to remove the Supplier from the supply chain.

**Reporting Concerns**

Any Supplier who has a product safety concern, or who believes that an employee of Kellogg, or anyone acting on Kellogg's behalf, has engaged in illegal, unethical or otherwise improper conduct, must immediately report the matter to our Office of Ethics and Compliance at <https://www.tnwgrc.com/Kellogg/>