



JD·SWEID
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Vendor Requirements & Code of Conduct

About JD Sweid Foods Inc.

From our humble beginning in 1917 to being one of the largest privately owned, value-added protein providers in Canada, our commitment to supplying high quality products has been the core of our success. With a portfolio that includes a full line of poultry, beef, and pork products, we service a long list of customers in both retail and food service.

We are a proud member of the Hallmark Farms group of companies, the largest chicken processor in Western Canada and one of the largest in Canada.

Our continued success and longevity are due to our unwavering commitment to our customers' needs and ensuring we exceed their expectations in every way. This commitment is incorporated into all we do – from our wide array of products, our focus on safety, the technology we use and the great people we employ.

We expect our Vendors to contribute to our success by:

- **Always maintaining consistent and competitive pricing,**
- **Strictly meeting delivery requirements 100% of the time,**
- **Meeting or exceeding specifications and quality requirements,**
- **Understanding the business practices and meeting the expectations of the North American retail marketplace,**
- **Complying with applicable laws and following ethical business practices.**

Purpose of Vendor Requirements

JD Sweid Foods is committed to the highest possible standards of performance, corporate governance, and responsibility. Our policy is not merely to comply with the letter of laws or regulations, but rather to instill and maintain a true culture of excellence and compliance wherever we do business. In consequence, JD Sweid Foods expects that all Vendors will embrace this letter and spirit of its commitment to integrity. These Vendor Requirements and Code of Conduct express what we expect from our Vendors, they incorporate the same standards of excellence, ethical conduct, and integrity as the JD Sweid Foods Internal Code of Employee Conduct. Vendors are requested to adhere to this code and to remain mindful that their activities influence JD Sweid Foods' reputation and relationship of trust with customers, employees, and shareholders. We expect that the utmost of care is taken to protect these assets.

Application and Term

Vendors shall ensure that all their representatives (including employees, agents, Vendors, and subcontractors and collectively referred to as "the Vendor") conduct business with and/or on behalf of JD Sweid Foods in accordance with this Vendor Code of Conduct & Requirements. These Vendor Requirements commence from the date of acceptance hereon and continue unless otherwise amended by JD Sweid Foods and the Vendor.

Compliance with the Law and Regulations

The Vendor has an unqualified responsibility to comply with all applicable laws and regulations. The specific areas of compliance highlighted for attention in this document shall not be considered fully definitive.

Anti-bribery - Kickbacks, Bribes, Collusion and Payoffs

Vendors must comply with anti-bribery legislation and avoid all forms of corruption. Vendors must not offer or accept anything of value to secure an improper advantage or benefit. The Vendor shall not offer or accept, either directly or indirectly, kickbacks, bribes or payoffs in cash or any other form. It does not matter that a prohibited payment may be demanded by a public official; the prohibited payment still may not be made. JD Sweid Foods believes in vigorous yet fair competition and supports the development of appropriate competition laws. The Vendor shall not engage in collaboration or other activity that reduces competition. Any incident of such a claim being made on a Vendor regarding the business they are doing, or hoping to do, with JD Sweid Foods must be reported.



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Record accuracy and Retention

The Vendor shall ensure that business records pertaining to JD Sweid Foods are retained for the period required by law, and that they accurately and fairly reflect all business transactions. Disposal shall be performed with adequate attention to the confidentiality of the information concerned.

Data Protection

The Vendor shall ensure compliance with laws and directives providing for the protection, transfer, access and storage of personal information.

Confidential Information

A standard Non-Disclosure Agreement must be signed between JD Sweid Foods and the Vendor or prospective Vendor prior to discussing any confidential information. The Vendor shall not utilize or disclose JD Sweid Foods confidential information and vice versa. This includes, but is not limited to, customer information, Vendor information, knowledge of business plans or projections, sales or marketing programs, customer lists, significant legal or regulatory action or strategy, new products or price changes, changes in senior management, divestitures or mergers and acquisitions.

Government, Media, and Investor Relations

The Vendor shall not instigate any form of publicity or make any statement or submission to investors, the media or government referring to JD Sweid Foods without first obtaining prior written permission from JD Sweid Foods (except where required by government or under the law). The Vendor may submit any such request to its primary contact at JD Sweid Foods to be directed for appropriate authorization.

Gifts and Hospitality

The Vendor shall not offer gifts in the form of cash, cash equivalent gifts, cheques, or other negotiable funds, nor shall it offer any individual gifts or gratuities.

Security, Health, and Safety

Elements of JD Sweid Foods business is certified, and JD Sweid Foods expects the Vendor to operate in line with this standard. In general, the Vendor shall ensure that it adheres to JD Sweid Foods policy and procedures on security, health, and safety whilst in attendance at JD Sweid Foods customer sites, and in accessing JD Sweid Foods systems or information.

Promoting Sustainable Development

JD Sweid Foods recognizes the important role that business, particularly in the Food Manufacturing industry, must play in driving growth in the global marketplace. JD Sweid Foods believes that business must accept the responsibility to ensure that growth is achieved in a sustainable manner, promoting socio economic development to try to tackle poverty whilst protecting and enhancing quality of life and avoiding detrimental impacts on any part of the global population or environment. JD Sweid Foods looks to the supply chain as a key area through which to secure sustainability and requires the Vendor to take these issues seriously by abiding by relevant international, European, or national standards or commitments and being able to prove its sustainability credentials if asked.

Employment Practices

We recognize our responsibility to respect and protect the human rights of JD Sweid employees and colleagues, customers, suppliers, and vendors across the country and abroad. We are committed to complying with existing provincial and federal laws, rules, and regulations, in strong alignment with JD Sweid's core values. We undertake the obligation to comply with human right acts, promote equal opportunities policy and foster prevention of any discrimination practices at the workplace. No Forced or Child Labour: We prohibit forced labour practices (involuntary, bonded or under the threat) and child labour in JD Sweid operations and do not tolerate this conduct in our supply chain. We will continue taking the required measures to ensure our operations, suppliers and vendors are compliant with the corresponding norms.



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The Vendor shall respect the UN Universal Declaration of Human Rights and ILO Conventions and comply with national human rights and employment legislation. The Vendor shall also respect Bill S-211, An Act to enact the Fighting Against Forced Labor and Child Labor in Supply Chains Act and to amend the Customs Tariff. As a minimum, the Vendor shall uphold the following standards in its own organization and work to do so within the supply chain: provide a safe working environment for staff and subcontractors avoid use of slaves, forced or bonded labor and child labor validate that all employees and the employees of subcontractors have the legal right to work in the country where services are performed support fair labor practices, including the right to belong to a trade union, the payment of at least the legal minimum wage where such exists and a fair living wage where it does not ensure respect for the dignity of individuals at work and zero tolerance for the harassment of individuals in any form and for any reason provide a confidential and secure mechanism for employees to raise grievances, avoid discrimination against employees or potential employees on the basis of their race, color, nationality, ethnic origin, caste, gender, gender reassignment status, marital status, disability, age, religion, belief, membership or non-membership of a trade union or sexual orientation. Issues of disability should only be considered against the requirements of the job.

Environmental Practices

JD Sweid Foods prefers to work with Vendors who have a clear environmental policy and targets, and who can demonstrate a commitment to environmental protection going well beyond the minimum standards set by environmental legislation and EU directives. The Vendor shall act responsibly towards the environment and provide data on the environmental footprint of their production processes and their products and services upon request. The Vendor is encouraged to adopt the principle of continuous improvement in regard to the environmental sustainability of its products. JD Sweid Foods is keen to learn about relevant developments from the Vendor and to share experience in this area.

Reporting Breaches of These Requirements

The Vendor is expected to self-monitor its compliance with these Requirements. In the first instance, known or potential breaches should be reported to the Vendor's JD Sweid Foods procurement contact. If the Vendor believes that it is inappropriate to raise a concern to Procurement, it may report it directly to JD Sweid Foods <https://jdsweid.com/compliance/>

BILL S-211

An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff. This enactment enacts the Fighting Against Forced Labour and Child Labour in Supply Chains Act, which imposes an obligation on certain government institutions and private-sector entities to report on the measures taken to prevent and reduce the risk that forced labour or child labour is used by them or in their supply chains. The Act provides for an inspection regime applicable to entities and gives the Minister the power to require an entity to provide certain information.

This enactment also amends the Customs Tariff to allow for a prohibition on the importation of goods manufactured or produced, in whole or in part, by forced labour or child labour as those terms are defined in the Fighting Against Forced Labour and Child Labour in Supply Chains Act.



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Purchase Order Requirements

Once a purchase order is sent to the Vendor, we require an acknowledgement by email back to the buyer to confirm the following within 48 hrs.

- Confirmation of Delivery date
- Confirmation of Price
- Confirmation of Price UOM
- Confirmation of Quantity
- Confirmation of Quantity UOM

All JD Sweid Foods Purchase Orders are conditional upon JD Sweid Foods receiving a minimum 72 hours written notice of your scheduled production times and date for any part or whole of the Purchase order quantities. For greatest certainty, you are obliged to advise JD Sweid Foods in writing of each production event by 9:00 AM on that date which is a minimum of 72 hours prior to the commencement of production of any purchase order quantities.

Required Vendor Documentation:

JD Sweid Foods maintains a file of certain documents that we require from all Vendors. These required documents include the following:

- Signed Non-Disclosure Agreement
- Part Specific Vendor Specific MSDS Natural – When Applicable 3rd Party Audit
- Allergen GMO – When Applicable Letter of Guarantee
- Kosher Organic – When Applicable Certificate of Insurance
- Specifications Halal – When Applicable Lot Code Explanation
- Nutritional HACCP – When Applicable
- Ingredient Breakdown USDA – When Applicable
- Country of Origin
- Plant or animal source
- USP or EP grade or ACS grade

If your opinion on the necessity of any of the above documents differs from that of JD Sweid Foods, please provide a written response outlining your position. If you are a distributor for other manufacturers, you need to provide us with the manufacturer's site location and documents noted above.

Vendor Complaint re Non-Compliance :

A Vendor complaint (CAR) will be issued when ingredient/packaging material has not met a requirement or specification. A separate complaint will be made for each type of incidence of a defective component number on a given order as follows:

1. Insufficient shelf Life
2. COA incomplete/COA missing/ Shipping Paperwork
3. Damaged Cases/Bags /Jugs /Bottles /Pallet condition
4. Foreign Object in ingredients or components
5. Labeling and Lot Coding Unreadable or Inaccurate
6. Non-Compliance with JD Sweid Foods Security Policy
7. Products Out of Specification
8. Late Deliveries /Late P.O. Confirmations



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Costs of Non-Compliance

Shipments not in compliance with Vendor Requirements will be subject to refusal as well as non-compliance charges. Non-compliance charges are not intended to penalize Vendors nor to be a source of revenue, but are used to recover administrative costs, enforce adherence to policies and procedures and to reduce and manage our operating costs. Our goal is to maximize compliance with these Vendor Requirements to minimize chargebacks and thereby make our business and our Vendors more efficient and successful. Non-Compliance charges will be automatically debited to the Vendor's account and deducted from the next subsequent payment to the Vendor.

Non-Compliance Resolution

Non-compliance resolution is achieved when the Vendor has acknowledged the complaint and planned to resolve issues of payment/credit and product return/disposal. In the event of a paperwork-related complaint, resolution would be attained upon receipt of the missing or corrected paperwork and must be accomplished on the same business day that it is requested. JD Sweid Foods asks that all other complaints be resolved in no more than 2 weeks. Complaint follow-up includes investigation, corrective action, and pick-up of defective product. JD Sweid Foods asks that complaint investigation and corrective action be submitted in writing no later than 2 weeks after the date of the complaint. If a Vendor fails to remove the defective product within these guidelines, that product may be discarded/destroyed, and the Vendor will be responsible for applicable charges.

Controls over Purchased Materials

JD Sweid Foods reserves the right to attend and inspect any Vendor's premises and/or those of its subcontractors and suppliers during business hours with reasonable notice. Vendors to JD Sweid Foods shall have and meet written specifications for purchased materials. Materials that do not meet specifications are placed on hold until proper disposition can be made.

Ownership of Dies, Plates & Moulds

JD Sweid Foods owns all plates, dies and moulds ("tooling") used by Vendor to produce and supply components to JD Sweid Foods unless such tooling relates to generic stock items supplied by the Vendor, or we have otherwise agreed in writing to alternate arrangements. Vendors will provide regular listings (at least annually) of such tooling to JD Sweid Foods. Vendors will not dispose, sell, transfer, or destroy any tooling without direction from JD Sweid Foods. JD Sweid Foods has the option of taking possession of tooling or transferring tooling to another Vendor with reasonable notice to existing Vendor.

Pricing

Vendor prices submitted to JD Sweid Foods are to be all inclusive e.g. Include all packaging (pallets, tier sheets, cartons, wrap, etc.) and include all die, plate and mould costs. Separate charges will not be levied for packaging. Unless otherwise agreed pricing is assumed to be F.O.B. to location being delivered either one of our plants or our off-site storage facilities. The Prices provided by Vender will not exceed those offered to other customers purchasing similar products and services in like or lesser quantities to be produced under similar terms and conditions. If for some reason, there is a price increase on a raw material or packaging JD Sweid Foods requires 60 days written notification regarding the increase as well as explanation of what is causing the increase. Please send all inquiries to janslow@jdsweid.com. Failure to do this will result in JD Sweid Foods paying the original price of items until there is correct notification and justification of such price increase has been given.

Trademarks and intangible property

Vendors are not authorized to use the JD Sweid Foods name or any of its trademarks, product names or intangible assets in any advertising, promotional materials, announcements or proposals of any kind unless preauthorized in writing by JD Sweid Foods President. Component designs are the property of JD Sweid Foods unless the components supplied by the Vendor are generic stock components.



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Delays in Deliveries or Account Holds

Timely, reliable and predictable deliveries of products from our Vendors is essential to enable JD Sweid Foods to efficiently schedule and manage production to meet customer satisfaction commitments in today's demanding retail marketplace. In certain circumstances we may request suppliers to expedite deliveries irrespective of regular lead times. We appreciate the cooperative response from our Vendors in the past and request their continued support. In those unusual circumstances where Vendors are unable to meet agreed delivery dates then we require 72 hours prior notification to allow us efficiently revise production schedules. Failure to provide sufficient advance notice will result in significant non-compliance charges. Where advance notice is not possible due to force majeure or emergency issues then immediate notification is expected. Account holds without any advance warning or discussion are unacceptable and will not be tolerated at any time. Any such action by a Vendor will result in immediate termination of the supply relationship upon notice by JD Sweid Foods. Should JD Sweid Foods exceed its limits owing to additional volumes purchased or should we miss the odd invoice form a payment then the situation can be easily resolved by contacting JD Sweid Foods Director of Finance.

Acknowledgement & Acceptance

Please thoroughly review the information contained in this document and provide it to the appropriate parties within your organization for acknowledgement and acceptance. First tier Vendors will be held responsible for communicating these requirements to all subsequent tiers.

Thank you in advance for your cooperation. If you have any questions, please contact John Anslow, Director of Purchasing at janslow@jdsweid.com

Sincerely,

JD Sweid Foods Purchasing Team