



Supplier Code of Conduct

Business, Social, Environmental and Quality Standards

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1.0 Introduction

Aldea Coffee believes conducting business responsibly – both socially and environmentally - benefits the broader society as well as our stakeholders, including employees, customers, farmers, other suppliers, and local community members. Given our three core values of Ethics, Quality, and Community Engagement, we expect our suppliers to abide by and support these values.

To communicate and hold these standards, Aldea Coffee requires all our suppliers sign and agree to our Supplier Code of Conduct (SCC). We work with each supplier to ensure they provide safe working conditions, that their workers are treated with respect and dignity, and that their manufacturing processes are environmentally responsible.

2.0 Legal Compliance and Business Integrity

Aldea Coffee is committed to the highest ethical standards throughout all our business interactions, directly and indirectly. Therefore, suppliers must comply with all applicable laws and regulations in their country of operation.

2.1 Anti-Bribery

Suppliers must not exchange, accept, or provide bribes of any kind which may influence, or may be perceived to influence, business decisions. Suppliers shall comply with all applicable anti-bribery laws and regulations, including the Foreign Corrupt Practices Act (FCPA) and the U.K. Bribery Act. Suppliers must not - directly or indirectly - give or accept anything of value, or make payments, promises, or offers that would improperly impact, or could be perceived to improperly impact, business transactions with individuals in the private or public sector.

2.2 Prohibited Business Practices

The following behaviors are furthermore prohibited: conflict of interest, falsification of documents, collusive bidding, price fixing, price discrimination, or unfair trade practices in violation of antitrust laws (OECD Guidelines for Multinational Enterprises).

2.3 Confidentiality

Suppliers should take appropriate steps to protect confidential and proprietary information belonging to Aldea Coffee.



3.0 Labor Standards and Social Responsibility

Aldea Coffee seeks to work with suppliers who develop their employees, and who work with their relevant local governments and communities to improve the environmental, cultural, economic and social well-being of those communities. At a minimum, we require suppliers to comply with all applicable laws, codes and regulations, including health codes, employment and discrimination laws, environmental regulations, safety codes and building ordinances for each location of their business operations. We require our suppliers to communicate and uphold these Standards with their employees, suppliers, contractors and subcontractors.

The following requirements are based upon standards from the UN Global Compact, UN Universal Declaration of Human Rights, and International Labor Organization (ILO) International Labor Standards, and SA 8000, with input from industry best practices.

For suppliers looking for additional information and ways to improve their labor standards, the SA 8000 in particular will be a helpful resource. The SA 8000 is an international standard for decent working conditions including: child labor, forced labor, workplace safety and health, freedom of association and right to collective bargaining, discrimination, discipline, remuneration, working hours, and HR management systems.

3.1 Worker Health and Safety

Suppliers must provide all workers with a safe and healthy work environment and comply with all applicable laws and regulations regarding working conditions including, but not limited to:

- Access to emergency medical care and first aid kit
- Instruction in, provision for, and enforcement of proper use of protective equipment
- Appropriate safety training for machinery, equipment, and chemicals
- Proper labeling of machinery, hazardous materials and other potentially dangerous items
- Workers are not permitted to engage any activity for work purposes or on work time which is likely to jeopardize a worker's health or safety
- Adequate lighting, ventilation, heating, potable drinking water and clean toilet facilities in all work areas
- Doors and other exits are well marked, unobstructed and unlocked from the inside during all working hours for orderly evacuation in case of emergencies

3.2 Worker Rights

We expect suppliers to share our commitment to basic principles of human rights. Suppliers must treat workers with respect and dignity. At a minimum, the following must be met.



3.2.1 Non-discrimination

All terms and conditions of employment should be based on an individual's ability to do the job, not on the basis of personal characteristics or beliefs. Suppliers shall not discriminate on the basis of race, color, national origin, gender identity, sexual orientation, religion, disability, age, parental status, pregnancy, or other similar factors in hiring practices or any other term or condition of work, including assignment of work, occupational training, advancement, promotion, wages and other compensation, granting of social benefits, discipline or termination.

3.2.2 Fair Treatment

Suppliers must not use or permit corporal punishment or any other form of physical or psychological coercion including verbal abuse and sexual harassment. Suppliers shall implement reasonable procedures for disciplining and/or terminating workers including maintaining appropriate documentation. Suppliers shall not use monetary fines as a punitive disciplinary practice. In addition, suppliers must foster and maintain conditions in which workers can freely communicate grievances and expect prompt and reasonable action.

3.2.3 Freedom of Association

Suppliers must recognize and respect the right of workers to freedom of association and to bargain collectively. Workers must not be subject to intimidation or harassment in the exercise of their right to join or to refrain from joining any organization.

3.3 Worker Hours and Compensation

Aldea Coffee seeks suppliers who share our commitment to the betterment of wage and benefit levels to improve the lives of workers and their families. All workers, including trainees, must be paid at least the cash equivalent of the minimum legal wage. Workers must be paid directly on a regular basis per a regular schedule. At a minimum, legally mandated benefits must be provided to all employees. Workers must not work more hours in one week than allowable under applicable laws or 60 hours per week, whichever is less. Workers must be properly compensated for overtime work and must be allowed at least one uninterrupted, 24-hour rest period after every 6 consecutive days worked.

3.4 Prohibited Labor

3.4.1 Child Labor

Suppliers will not employ any persons under the age of 15. Exceptions to this apply only to family or small-scale businesses which do not regularly employ hired workers. If local regulations stipulate compulsory education up to an age greater than 15, those regulations will apply during school hours. Suppliers must observe all legal requirements for the work of minors (age 15 to 17), including, but not limited to, those pertaining to age, hours of work, wages, minimum education and working conditions.



3.4.2 Forced or Involuntary Labor

Aldea Coffee will not tolerate the use of any forced or involuntary labor, either directly or indirectly, by our suppliers, contractors or subcontractors. This includes the use of slave labor, bonded labor, indentured labor or involuntary convict labor. Workers cannot be required to surrender their identity papers or other original personal documents or pay deposits as a condition of employment. Workers must be free to leave the workplace at the end of their shift and to resign without repercussion. All overtime should be voluntary and should not be in excess of legal limits. Workers hired through contract agencies, including migrant workers shall be employed by the supplier in strict accordance with relevant international legal agreements between the sending and receiving countries.

4.0 Environmental Standards and Sustainability

Aldea Coffee recognizes a core component of our environmental mission is to buy, sell, and use environmentally responsible products. At a minimum, Aldea Coffee suppliers must fully comply with all local environmental laws and regulations and, additionally, conduct their operations in a way that conserves natural resources. All waste materials and production byproducts must be disposed of legally and in an environmentally responsible manner. Suppliers must establish and demonstrate safety practices and standards for the identification and handling of hazardous waste.

ISO 14000 is a series of international voluntary standards and guidelines around environmental management systems, eco labeling, environmental auditing, environmental performance evaluation, environmental aspects in product standards, and life cycle assessments. For suppliers seeking to improve their environmental management system, Aldea Coffee recommends exploring the ISO 14000 as a helpful guide and resource.

4.1 Environmental Permits and Reporting.

All required environmental permits (e.g. discharge monitoring) and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

4.2 Pollution Prevention and Resource Reduction.

Waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

4.3 Hazardous Substances.

Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.



Use of hazardous chemicals in any product made for Aldea Coffee must be disclosed to Aldea Coffee management before order is processed.

4.4 Wastewater and Solid Waste.

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be monitored, controlled and treated as required prior to discharge or disposal.

4.5 Air Emissions.

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge.

4.6 Product Content Restrictions.

Suppliers are to adhere to all applicable laws and regulations regarding prohibition or restriction of specific substances including labeling laws (for both source and end market countries) and regulations for recycling and disposal.

5.0 Product Quality

As one of Aldea Coffee's three core values, we believe *quality* should be built into the entire business process, especially in regards to sourcing. We expect suppliers to proactively take responsibility for the quality of their goods, and reward quality by paying premium prices. We screen all suppliers based on their ability to produce high quality goods.

5.1 Quality Control

Suppliers are responsible for maintaining high levels of quality in their facilities, materials and employees. Quality control programs and other business practices of Suppliers may need to be reviewed by Aldea Coffee to determine the Supplier's ability to provide products and services that consistently meet or exceed Aldea Coffee Requirements.

All food preparation and production facilities must comply with all relevant local laws. Production facility, quality, and/or food safety assessments and audits may be conducted by Aldea Coffee. Onsite audits and/or inspections may be announced or unannounced.

5.2 Product Inspection and Acceptance

Incoming goods may be inspected and tested by Aldea Coffee for conformance to specifications. Nonconforming goods may be placed on hold, which may result in delay of payment until the issues are resolved, or rejection/non-payment if issues are not resolved. Product payment will be determined based on the extent of the nonconformity.



6.0 Code Compliance and Review

6.1 Compliance

The information provided in this Supplier Code of Conduct document is intended to provide guidance to current and potential Suppliers by outlining fundamental core requirements.

Aldea Coffee requires that an officer or senior management representative from the Supplier sign an agreement pledging compliance with our Supplier Code of Conduct. This SCC will be disseminated via e-mail to all current suppliers, and discussed with future Suppliers when new business relationships are formed. The SCC is always available to suppliers and the public at www.aldeacoffee.com. For any additional questions about this SCC, please contact the Aldea Coffee team at partner@aldeacoffee.com.

6.2 Verification

Verification of compliance is subject to periodic formal audits and/or informal monitoring, including site visits, by Aldea Coffee. Self-audits may be requested both initially upon beginning a new supplier relationship and ongoing in the business relationship, especially should major changes happen within the supplier organization. Failure to comply, or failure to work with Aldea Coffee to correct non-complying situations, are grounds for cancellation of open orders, discontinued use of non-complying producers, or termination of our business relationship. Procedural and operational updates are effective 60 days after they are published.

6.3 Code Violations and Corrective Action

Should code violations be discovered by suppliers in internal self-audits, they have 90 days to remedy the situation without notifying Aldea Coffee. Failure to remedy the situation within 90 days will require full disclosure to Aldea Coffee. If it is determined through external audits that a supplier is operating outside of these Standards, or the supplier is unable to resolve the issue within 90 days independently, then the supplier will work with Aldea Coffee to develop and implement a corrective action plan, including a mutually agreed schedule for resolution of the issues.

Failure to meet a corrective action plan commitment will be considered a material breach of our agreement and may result in cancellation of orders and/or termination of our contractual relationship, depending on the severity of the code violation and at management's discretion. Repeat offenses will be considered more seriously. Gross violations, any human rights violations, or illegal activities will be cause for outright and immediate termination of our contractual and business relationship. Aldea Coffee may terminate its relationship with any Supplier found to be in violation of these Standards.