



SUPPLIER CODE OF CONDUCT

Dairy Farmers of America, Inc. (DFA) is committed to operating with high ethical standards and integrity in all of our dealings with members, employees, customers, partners, suppliers, competitors and the communities in which we carry out our business. Complying with all applicable laws and managing the social, environmental, and economic impact of our business model is critical to DFA's success. Our stakeholders expect DFA to uphold high standards of responsible and ethical behavior in our operations and to encourage a similar commitment by companies with which we do business.

This Supplier Code of Conduct sets forth DFA's standards and expectations with respect to key areas of corporate responsibility. Our goal is to work with suppliers and vendors to assure compliance with these requirements.

1. Legal Compliance and Business Integrity

Suppliers must comply with all applicable laws and regulations in their country of operation. Also, suppliers must not directly nor indirectly give nor received improper business advantage via the giving or receiving anything of value in exchange for preferential treatment. Suppliers must strictly comply with all laws, rules and regulations applicable to anti-bribery and anti-corruption.

2. Social and Working Conditions

a. Forced/Prison Labor

Suppliers must not utilize or benefit in any way from forced or compulsory labor, nor utilize factories or subcontractors that force unpaid labor. This requirement includes, but is not limited to ensuring compliance with the California Transparency in Supply Chains Act of 2010, which requires suppliers to certify that materials incorporated into a product comply with the laws regarding slavery and human trafficking. The use of official prison rehabilitation programs is not a breach of the DFA Supplier Code of Conduct.

b. Working Hours and Wages

Suppliers should provide wages at least equal to the applicable legal minimum wage and any associated statutory benefits. If there is no legal minimum wage, suppliers must ensure that wages are at least comparable to those at similar companies in the local area or to prevailing industry norms. Working hours should reflect applicable legal norms and overtime hours should be paid at the legally mandated premium or at least at the same rate as regular hours worked if there is no mandated premium.

c. Freedom of Association

Suppliers should respect employees' right to freedom of association including the right to collectively bargain, consistent with local laws and ensure that all employee relationships are of a voluntary nature.

d. Non-Discrimination

Hiring and employment decisions, including those relating to compensation, benefits, promotion, training and development, discipline, and termination, are made solely on the basis of the skill, ability, and the performance of workers. Discrimination is not permitted on the basis of race, religion, gender, political opinion, national extraction, or social origin.

e. Health and Safety

The Supplier must provide employees with a safe and healthy working environment for all employees that include appropriate controls, safety procedures, preventative maintenance, and protective equipment. Practices must comply with all relevant local and national laws, codes and regulations.

3. Environment and Sustainability

DFA is committed to supporting sustainable operational and agricultural production practices. At a minimum, suppliers must fully comply with all local environmental laws and regulations and should strive to conduct their operations in a way that conserves natural resources.

a. Pollution Prevention and Resource Reduction

Suppliers should reduce waste and usage of all types by implementing appropriate conservation measures in their operations. Improvement plans for waste reduction, recycling, energy conservation and greenhouse gas mitigation policies should be in place, along with demonstrable evidence of implementation.

b. Environmental Permits and Reporting

Suppliers must obtain, maintain and keep current all required environmental permits (e.g. discharge monitoring) and registration and any operational and reporting requirements shall be followed.

c. Wastewater and Solid Waste

Wastewater and solid waste are to be monitored, controlled and treated as required prior to discharge or disposal and records of effluent monitoring shall be maintained.

d. Air Emissions

Air emissions generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge and records of air monitoring shall be maintained.

4. Food Safety and Quality

DFA is dedicated to providing safe high-quality products, and its suppliers must deliver products and services that meet food safety and quality standards required by applicable law and DFA's quality standards.

5. Verification and Compliance

Suppliers should have adequate monitoring and record keeping systems to ensure compliance with the DFA Supplier Code of Conduct. DFA reserves the right to monitor, review and verify compliance with the Supplier Code of Conduct.

6. Supplier's Certification of Compliance

By its acceptance of any purchase order from DFA, the Supplier acknowledges acceptance of the DFA Supplier Code of Conduct and intention to comply with its requirements.