



East West Tea Company LLC & Yogi Tea GmbH:

Supplier Code of Conduct

1. Executive Introduction

Everything we do at East West Tea Company LLC (EWTC) & Yogi Tea GmbH depends not only on the purposeful blending and packaging of the natural ingredients we use in our teas, but on the work of thousands of people around the world who make up the EWTC/Yogi Tea supply network – from those who organically grow those ingredients in multiple locations around the world to those who transport and deliver them to our door meeting all technical specifications. We are honored to partner and collaborate with this incredible network as we strive to fulfill our mission: We exist to inspire and create a world that's better off because we're in it. Our conscious actions bring this vision to life.

The basis of this mission is rooted in our three sustainability pillars that provide a framework for our key commitment areas:

1. Heal & Revive
2. Empower & Enrich
3. Unite & Enlighten

The pillars also align with the origins of our leadership commitment to responsible and sustainable business practices in everything we do. Alongside our supply-partners, we strive to nurture and promote:

- Respect and dignity for all
- Safe working conditions at every stage of the supply chain
- Environmentally responsible manufacturing practices
- Business conducted with the highest of ethical standards

We believe the expectations described in this code of conduct align with the values and practices already embraced by our supply partners and trust that our collective expertise and close collaboration will allow these requirements to be met with confidence. We are grateful for the commitment and service of our supply-partners, with whom we look forward to continue to write a mutually rewarding story.

**Giancarlo
Marcaccini CEO**

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3. General Guiding Principles

Before getting into the details of the Supplier Code of Conduct, we feel it is important to highlight some general principles to guide how we want our relationship with you to look like on a human level. If we can mutually manage these consistently then everything that follows should lead to continuous improvement in all areas of our supply chain.

3.1 Openness & Trust

We want us to be open and transparent with each other. We work in complex international supply chains where we will encounter issues that are challenging and difficult. We genuinely believe that if we always find the strength to be open and trusting with each other, we can find solutions for any challenge.

3.2 Fairness

Secondly, we want to promote fairness in our supply chain. That means we are committed to being fair to our employees, our customers, and of course to our valued suppliers. Similarly, we expect fairness from you towards your employees, your suppliers – and us. Success in this endeavor along our supply chains will result in stronger, sustainable relationships and ultimately a better world.

3.3 Responsibility

We would like our relationships to be guided by responsibility. For us, that means taking responsibility for sourcing and selling the most premium, ethical and safe products available. By taking responsibility for our environmental and social footprint and working every day to improve it, we want you to be a part of this mindset and an extension of it along our mutual supply chain.

4. Basic Standards

Chapter 4 lists all standards that provide the baselines for our business transactions.

4.1 Organic

Yogi Tea and Choice Organics have a long history of commitment to organic agriculture. As such, we expect all of Yogi Tea GmbH EU suppliers and sub-suppliers to observe all principles set forth in the European organic legislations ([2018/848](#) and [2007/834](#)) for deliveries to Yogi Tea GmbH

Similarly we expect EWTC's partners to fully adhere to all guidelines set forth in the NOP standard ([CFR Part205](#)).

We fully expect our supply partners to immediately report any known irregularities in the organic principles to the respective Sourcing Departments as soon as identified.

4.2 Quality

To ensure that our infusions and teas will always have the best possible quality, EWTC has adopted the [BRC Standard](#) while Yogi Tea GmbH maintains an [IFS Broker](#) certification. The CoC is not a guiding document for our mutual understanding as to the quality of the products we purchase from you. It is, however, important to note in this context that we do fully expect our suppliers and sub-suppliers to

comply with all agreed-upon quality parameters and specifications at all times and report any possible irregularities as soon as identified.

4.3 Ethical

We are committed to doing all we can in enriching and empowering the lives of everyone involved in our supply chain. As such, we expect our supply partners to comply with the [OECD Guidelines for Multinational Enterprises](#), the [ILO Declaration on Fundamental Principles and Rights at Work](#) and the [UN Guiding Principles on Business and Human Rights](#). Further, it is our expectation that our suppliers comply with and keep abreast of any upcoming legislation changes in relation to international supply chains. We will expand our support of third party certifications (i.e. Rainforest Alliance, Fair for Life, FairWild, etc.) to primarily monitor these factors as well. We also expect our suppliers to comply with all applicable laws, including those pertaining to bribery, corruption, or any type of fraudulent business practice.

5. Heal & Revive

Yogi Tea and Choice Organics have been fully organic companies since they were founded. To us, this is the natural order of things and we are fully committed to continuing and expanding our organic sourcing principles. This means taking action to make a real difference and address the issues in our supply chains that impact the environment and ultimately the health of our planet.

5.1 Healing our Climate

Our changing climate is a huge threat – to our businesses and products, our way of life and, most importantly, every living creature on this planet. We want to do our part to change our trajectory by becoming a carbon-neutral business.

Further, we will be mapping our full CO2 footprint in 2021 and developing our strategy to reduce our impacts. We therefore request your full collaboration, simultaneously looking for opportunities for introducing carbon reduction programs and exploring in-setting along our mutual supply chains to offset our mutual footprint.

We also expect compliance with applicable environmental laws, particularly with regard to waste, air and water, and that all required environmental permits for use and disposal of water and waste are obtained.

5.2 Reviving our Soils

We see organic agriculture as an important means to reviving our planet through replenishing the soils and improving biodiversity. As such, we expect the support of our suppliers to go beyond the stated legislations of 4.1 and join us in exploring ways to establish fully regenerative agriculture in our farming communities, starting with select farming pilot projects which may be scaled up and expanded over time.

6. Empower & Enrich

An important path in ensuring sustainable agriculture for the future is to work closely with our suppliers to improve the social and economic well-being of everyone within our supply chain. Improving livelihoods

is very important to us and real progress can only happen where all partners benefit socially and economically from our interactions.

6.1 Empowering our Farmers and Processors

Our ingredients come from over 50 countries across the globe and are all subject to regional legislations, cultures, social/economic challenges and priorities. We fully respect these but do expect that a certain minimum base standard must be met in all our supply chains as follows. We expect our suppliers to actively monitor and evaluate supply chain practices to ensure these standards are being met and to inform us immediately upon discovery of a violation.

6.1.1 No Coerced Forced Labor

All employment in our supply chain is voluntary. No one can be forced into labor or be otherwise coerced, including any form of trafficked, prison or bonded labor. Original personal identification and travel documents are not retained, and freedom of movement is not restricted. Workers are not charged or required to pay fees or deposits to obtain or maintain employment. Pay is not withheld, and no conditions are present that constrain a worker's ability to freely choose employment. Accurate information regarding the nature of work, compensation, work hours, and benefits is provided in writing in advance of employment.

6.1.2 No Child Labor

Child exploitation of any kind is not tolerated. All forms of unlawful employment or exploitation of children are prohibited. No individuals are hired under the legal age of work or compulsory schooling, whichever is higher. Individuals less than 18 years of age are not hired for positions that include hazardous work or that interfere with normal educational activities. This guidance is subject only to exceptions as recognized by [convention 138 of the ILO](#).

6.1.3 No Discrimination and Equal Rights

Everyone in our supply chain must be treated in a respectful and equal manner and all forms of abuse or harassment in the workplace is prohibited. Discrimination or harassment in hiring, pay, promotion, or in the workplace on the basis of color, race, sex, national or social origin, religion, age, disability, marital status, sexual orientation, pregnancy status, gender identity or any other status protected by applicable law is prohibited.

6.1.4 Freedom of Association and Collective Bargaining

Everyone in our supply chain is able to join, assemble and organize trade unions as they choose without sanctions or other forms of retribution by their employer. All workers have the right to collective bargaining. Where workers are represented by a legally recognized union, the supplier is committed to establishing a constructive dialogue with the union's freely chosen representatives and bargaining in good faith with such representatives.

6.1.5 Working Time

The weekly working time is outlined in the employment contracts, correctly accounted for, and corresponds to ILO conventions [1](#) and [30](#). Regular working time does not exceed 8 hours per day and 48 hours per week. Regular breaks are provided and consecutive working hours cannot



exceed six hours. Overtime-work is only done on a voluntary basis and 24 consecutive hours of rest are provided in every 7 day work period. Working time per week never exceeds 60 hours. The average working time per year cannot exceed 56 hours per week.

6.1.6 Health and Safety

It is our expectation that all necessary precautionary steps are taken to ensure the health and safety of everyone in our supply chain. All local provisions around occupational safety have to be fulfilled and we expect our partners to continuously expand upon them. A safe and hygienic workplace is provided in compliance with the law, and systems are in place to detect and manage potential risks to workers. Workers undertake health and safety training, hazardous materials and chemicals are properly stored, and workers are provided with the appropriate personal protective equipment. Health and hygiene of workers is provided for as relevant at the site, including toilet facilities, access to drinking water and food safety. Employer-provided housing must be sanitary and safe.

6.2 Enriching our Farmers and Processors

Beyond assuring that social working conditions are adequate, we envision a supply chain where the lives of our partners are continuously enriched.

6.2.1 Training and Education

Training and educating our employees is of the utmost importance to us – and we want this to extend to you as well. Ideally, these measures will go well-beyond legally compulsory trainings. Every employee should have the opportunity to hone and expand their individual skillsets.

6.2.2 Wages and Benefits

All wages paid must at least comply with local legal and industry requirements. Our long-term vision is to have assurance that everyone in our supply chain earns a living wage or living income and we want you to be a part of the journey towards meeting this target. We further expect our partners to provide other benefits to employees (i.e. health benefits, food and drink, child care) that go beyond the respective laws. All legally mandated wages and benefits are provided and payment is made on time and on at least a monthly basis. Deductions are not taken from pay as punishment and itemized records are maintained. Pregnancy and maternity, are provided in accordance with the law.

6.2.3 Diversification and Income Streams

We strongly believe in aiding our partners towards producing more economic resiliency through financial literacy capacity building and the creation of additional income streams. Wherever and whenever possible, we want to be a part of the conversations that lead to such sustainable changes along our supply chain so that we can jointly increase the financial strength of our partners in the origins.

7. Unite & Enlighten

We believe in a world where we can all connect together and learn with and from each other every day. There is power in understanding and connecting and we would like everyone to experience this.

7.1 Uniting in Industry Organizations

We believe in the power of joining forces, particularly to tackle challenges that go far beyond our supply chain and include climate change, environmental degradation, poverty, modern slavery and recyclable/compostable packaging. As such, we have committed ourselves to partnering with the American Botanicals Council, Sustainable Spices Initiative, and the Ethical Tea Partnership to work with like-minded partners to address these issues at a macro level. Without any obligation, we would like to encourage you to do the same and to engage in development partnerships that are created in the future.

7.2 Distribution of Supplier Code of Conduct

It is our expectation that the content of this Code of Conduct is already in place in our supply chains. If there are gaps currently, we expect these are communicated to us immediately and remediation action plans are developed and shared with us.

It is the responsibility of the direct supplier to our companies to ensure this is implemented throughout their supply chain for all our products and services. We want everyone that works with us to be aware of our expectations and hope we can also come together regularly to jointly discuss how we can improve the environmental, social, and economic footprint of our supply chains. By signing this document, you are agreeing to distribute it as outlined above for all products that we buy from you.

7.3 Grievance Mechanism

We expect all of our suppliers to have grievance mechanisms in place for their own employees as well as other supply chain partners. Workers and partners are made aware of their existence. The mechanisms are to be anonymous, confidential, transparent, unbiased, and responsive to their concerns and needs. Anyone coming forth with any concern is neither retaliated against nor punished in any way. If any grievances are reported that are in violation of this Code of Conduct, we expect to be notified by our partners immediately. Grievances can also be reported to us directly via ian.brabbin@yogiproducts.com and will be handled as outlined above.

7.4 Reporting and Remediation of Violations

It is our expectation that violations of this code of conduct are reported to us within 48 hours of becoming aware of the issue. After that, we expect a clear plan of action to remediate the issue from you within 10 business days to give us a chance to jointly and quickly improve the situation.

7.5 Audits

Where certification is not in place, we intend to carry out audits using a third-party auditor against this Code of Conduct applying a risk based approach. We would give 30 days' notice of an auditor's visit. In exceptional circumstances where we have reasons for concern, these audits may be unannounced. We would expect your full cooperation in such an event.



8. Signature

Company / Business Name: _____

Signatory Name: _____

Position Title: _____

By signing below, I confirm that:

I have read, understood and agree to comply with the “East West Tea Company LLC & Yogi Tea GmbH Supplier Code of Conduct.”

Signature

Date

