

balchem[®]

Solve Today. Shape Tomorrow.



CONTACT US



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WWW.BALCHEM.COM

**SUPPLIER
CODE OF
CONDUCT**



BALCHEM CORPORATION

Founded in 1967, Balchem provides state-of-the-art solutions and the finest quality products for a range of industries worldwide. Our Company consists of four business segments: Human Nutrition & Health; Animal Nutrition & Health; Specialty Products; and Industrial Products. Balchem employs over 1,000 people worldwide who are engaged in many diverse activities, developing our company into chosen market leadership positions.

CORE VALUES

Why do we do what we do?

To make the world a healthier place.

What do we do?

We deliver trusted solutions that enhance health and well-being through science

How do we work?



**ALWAYS DO
THE RIGHT
THING**



**THINK BIG
AND SMALL**



**COLLABORATE
AND GROW
TOGETHER**



**PLAY
TO WIN**



**STAY FOCUSED
ON THE
CUSTOMER**



SUPPLIER CODE OF CONDUCT



Balchem's supplier Code of Conduct outlines what is required by you, as a supplier to Balchem, with respect to:

- Business Ethics and Responsibility
- Employment Rights and Labor Standards
- Environmental Stewardship and Sustainability
- Product Stewardship and Safety
- Continuous Improvement and Product Quality
- Trade Compliance

It is your responsibility, as a supplier, to adhere to this code of conduct. Adherence to the principles and requirements outlined in this Code of Conduct must take priority in instances where these principles are more restrictive than local laws and regulations. Failure to comply with this code of conduct may result in termination of your contract and relationship with Balchem Corporation.



BUSINESS ETHICS AND RESPONSIBILITY

One of Balchem's Core Values is to 'Always do the Right Thing'. This value is manifested through acting with honesty and integrity, while maintaining the highest ethical standards. Balchem requires its suppliers to share this commitment to not only act legally, but to apply the highest standards of ethics in all situations.

BUSINESS ETHICS: Suppliers must act ethically in all business transactions and must comply with anti-corruption laws, including the Foreign Corrupt Practices Act. Suppliers must not give or accept compensation in the form of bribes or kick-backs in any business transactions. Suppliers also acknowledge that Balchem maintains a Business Ethics policy that addresses gifts and interactions between the Supplier and Balchem employees who interact with it.

ADHERENCE TO TERMS AND CONDITIONS: Suppliers must comply with the Terms and Conditions of the current contracts, agreements, and purchase orders that apply to our business transactions.

ANTITRUST & COMPETITION: Suppliers must adhere to antitrust and competition laws in the countries in which they operate. In no event shall suppliers engage in price fixing or unfair trade practices.

INTELLECTUAL PROPERTY, PRIVACY, AND INFORMATION SECURITY: Suppliers must respect Balchem's intellectual property rights, safeguarding Balchem's name, logos, confidential information, and trademarks. The unauthorized use or release of information provided by Balchem information is prohibited. Information regarding Balchem's employees, customers, and business partners must be protected and may not be disclosed without Balchem's approval. Suppliers are required to have an information technology security system in place that complies with current industry standards. Suppliers must adhere to antitrust and competition laws in the countries in which they operate. In no event shall suppliers engage in price fixing or unfair trade practices.

OPERATING LICENSES, REGISTRATIONS, AND PERMITS: Suppliers must have appropriate licenses, certifications, registrations, and permits to operate within the locations that they do business, and to produce, market, and distribute the applicable products.

SOCIAL RESPONSIBILITY: Suppliers must consider environmental and social considerations when making business decisions. Suppliers are expected to ensure that business practices are developed and improved in a manner that will improve environmental sustainability and general community well-being

CONFLICTS OF INTEREST: Suppliers must do business in a manner that is transparent and consistent with the highest standards of integrity. Potential or apparent conflicts of interest in relationships or business dealing should be disclosed to your primary Balchem contact immediately.



EMPLOYMENT RIGHTS AND LABOR STANDARDS

Balchem is committed to improving the wellbeing of all people. This commitment is reflected in protecting human rights and ensuring safe work environments throughout our supply chain. Suppliers are, therefore, required to treat all people with dignity, respect, and to ensure that their supply chains are free from discrimination, violence, and unfair labor practices in all locations.

INVOLUNTARY LABOR, CHILD LABOR, AND HUMAN TRAFFICKING: Suppliers must not engage in or support child labor or forced labor coercion. All work performed by supplier employees must be voluntary, and employees must be of an age that complies with local and international law. Suppliers must also ensure that their upstream suppliers do not engage in or support child labor or forced labor coercion.

EMPLOYMENT COMPENSATION: Suppliers must provide employees with wages and benefits that adhere to the minimum amount required by applicable laws and regulations. Compensation rates must be at least comparable to prevailing standards, including rates applicable to temporary and contract labor.

LABOR HOURS: Suppliers must comply with all applicable laws and prevailing standards for the number of hours an employee or contract laborer can work. Suppliers must comply with applicable laws regarding public holidays, sick leave, breaks, vacation, and employment-leave.

HARASSMENT AND DISCRIMINATION: Suppliers must provide fair treatment for all employees and ensure a work-environment that is free from mental or physical harassment. Suppliers must not discriminate against employees based on race, color, national origin, religion, gender, disability, sexual orientation, or political opinion. Suppliers must maintain written policies to ensure work environments that are free of harassment and discrimination, and make such policies known to your employees.

AREAS OF CONFLICT: Balchem is based in the United States of America and is required by law to track the use of certain 'conflict minerals'. Conflict minerals include tin, tungsten, tantalum, and gold, mined in areas of armed conflict in the Democratic Republic of Congo and adjacent countries. Suppliers must ensure that their products do not contain any minerals from these areas of conflict.



ENVIRONMENTAL STEWARDSHIP AND SUSTAINABILITY

Balchem's core purpose is to make the world a healthier place. To achieve this core purpose, a strong commitment to the principles of environmental stewardship and sustainable business practices is essential. Balchem requires its suppliers to help safeguard a healthier future through adhering to these commitments as well.

ENVIRONMENTAL COMPLIANCE: Suppliers must comply with all environmental laws and regulations, and to have all applicable environmental permits current and in-place for their operations. Suppliers must not engage in or support child labor or forced labor coercion. All work performed by supplier employees must be voluntary, and employees must be of an age that complies with local and international law. Suppliers must also ensure that their upstream suppliers do not engage in or support child labor or forced labor coercion.

SUSTAINABILITY: Suppliers must take actions to continually reduce the environmental impact of their operations. Suppliers must ensure ongoing reductions in waste generation, carbon footprint, non-renewable resource consumption. Suppliers must also ensure that the principles of sustainability are applied throughout their supply chain, including with their own upstream suppliers.

HAZARDOUS MATERIALS: Where hazardous materials are used, Suppliers must engage in the highest standards of product stewardship. Suppliers must adhere to all laws and regulations pertaining to the handling, storage and transportation of hazardous materials, and must ensure proper industry standard measures to prevent exposure or release.

EMERGENCY PREVENTION AND RESPONSE: Suppliers must identify potential emergency situations and employ preventative measures to reduce the likelihood of such situations. Suppliers must also maintain emergency response plans that will reduce the environmental and community impact of any such situations. Where applicable, such measures should reflect requirements that apply to food safety, hazardous chemical, and other relevant regulations.



PRODUCT STEWARDSHIP AND SAFETY

As a producer of products that help make the world a healthier place, Balchem recognizes the importance of product stewardship and safe operations. Suppliers are expected to join Balchem in a commitment to ensure that our full supply chain operates in a safe and responsible manner.

PRODUCT STEWARDSHIP: Suppliers must provide for the proper packaging, distribution, and use of their products. They must ensure applicable testing, instructions, precautions, and safeguards are in place for their products to be used in a safe and responsible manner. Product stewardship information must be shared with all product consumers. Suppliers must communicate any material updates or changes that could affect the safe use of their products. Suppliers are furthermore responsible for ensuring that any applicable regulatory requirements and updates are communicated with their product consumers, including Balchem.

EMPLOYEE SAFETY: Suppliers must maintain workplaces that are clean, orderly, and safe for employees. Suppliers must adhere to all applicable workplace safety laws and regulations and must implement programs to prevent employee injury or exposure to unsafe conditions. Suppliers must not punish employees for raising safety concerns or refuse to work in unsafe conditions until those conditions are adequately addressed.

CONSUMER AND PUBLIC SAFETY: Suppliers must ensure that programs are in place that safeguard consumer and public safety with regard to their products and business operations.



PRODUCT COMPLIANCE

Balchem is committed to ensuring that its products comply with all applicable regulations and standards. Suppliers are expected to ensure that their products comply not only with the regulations in the country of manufacture, but also in the countries to which they may be exported.

REGULATIONS: Suppliers shall ensure that their products meet all applicable food safety and quality regulations in the country of manufacture. Suppliers shall also ensure that its products comply with regulations in place in the countries where the Balchem facilities purchasing the products are located. Supplier shall agree to provide evidence of compliance upon request. Supplier shall assist in providing documentation regarding compliance with regulations in other countries or regions upon request. Suppliers shall ensure that products delivered to Balchem are safe and legal for their intended use.

STANDARDS: Suppliers shall ensure that products delivered to Balchem meet all applicable standards (e.g., FCC, USP, EUP, etc.) where these exist and are specified in purchasing specifications, contracts, or purchase orders.



CONTINUOUS IMPROVEMENT AND PRODUCT QUALITY

Balchem delivers trusted solutions that enhance health and well-being through science. To do this, quality systems and continuous improvement are central to our operations. Suppliers are expected to share our commitment to these principles.

QUALITY SYSTEMS: Suppliers must maintain a quality system that is minimally applicable to the industry and regulatory environment that is applicable to their products. Quality systems must be independently audited by a reputable third party. Balchem must have access to quality records and personnel to assure that product quality meets applicable requirements.

OBLIGATION TO REPORT: Suppliers must promptly report quality issues and non-conforming materials that could affect Balchem or our downstream customers. This obligation includes any product recalls, whether government-ordered or voluntary, foreign material contamination events, or other issues that could affect product safety, efficacy, appearance, or adherence to specifications.

ADHERENCE TO SPECIFICATIONS: Suppliers must adhere to all agreed-upon specifications.

CHANGE CONTROL COMMUNICATION: Suppliers must proactively report any changes in product, process, specification, raw material, or aspect of service regarding items supplied to Balchem. Major changes may require advanced approval by Balchem prior to implementation, in accordance with quality systems and supply agreements.

NON-CONFORMANCES AND CORRECTIVE ACTIONS: In the event of supply of a non-conforming product or service, Suppliers must respond promptly with thorough investigations and corrective action plans. Investigation results and plans must be reviewed with Balchem.

CONTINUOUS IMPROVEMENT: Suppliers must undertake activities to ensure continuous reduction of the risk of non-conformance to quality standards and specifications. Such activities must be shared with Balchem upon request.



TRADE COMPLIANCE

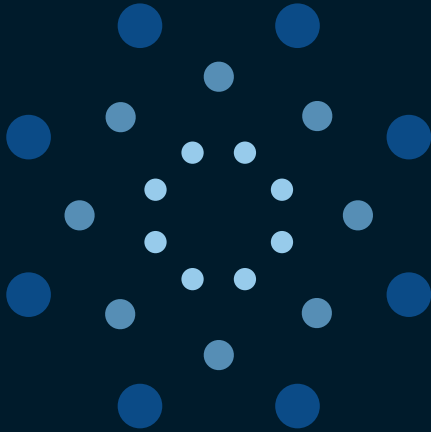
Balchem complies with all applicable laws and regulations concerning sanctions and embargoes and does not, directly or indirectly, conduct businesses with individuals or entities that are the subject of restricted party or embargoed country lists.

ANTI-BOYCOTT LAWS: U.S. anti-boycott laws prohibit Balchem and our affiliates from participating in or cooperating with foreign boycotts not sanctioned by the United States. Suppliers must acknowledge this and ensure that our businesses relationship does not violate any such anti-boycott laws (e.g. Israel).

TRADE RESTRICTIONS AND EXPORT CONTROLS: Suppliers shall not directly or indirectly provide to Balchem any material or service from a country, person, or entity that is subject to U.S. or other regional, unilateral, and multilateral regulations that restrict transactions with specific foreign entities, persons, or countries. Examples of such countries are Syria, Iran, Sudan, and North Korea. Examples of entities and persons include, but are not limited to, terrorists and organizations that fund terrorists, and parties guilty of trade violations. Suppliers must implement compliance practices to screen employees, customers, suppliers, and business associates to ensure compliance with applicable laws and regulations concerning embargos and sanctions.

CODE OF CONDUCT ACCEPTANCE AND COMMUNICATIONS

By doing business with Balchem Corporation, suppliers are expected to have accepted this code of conduct and to comply with all the requirements described within it. If your company cannot or will not comply with any of these requirements, please contact your Balchem representative immediately to report the situation and to discuss improvement and compliance plans.



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