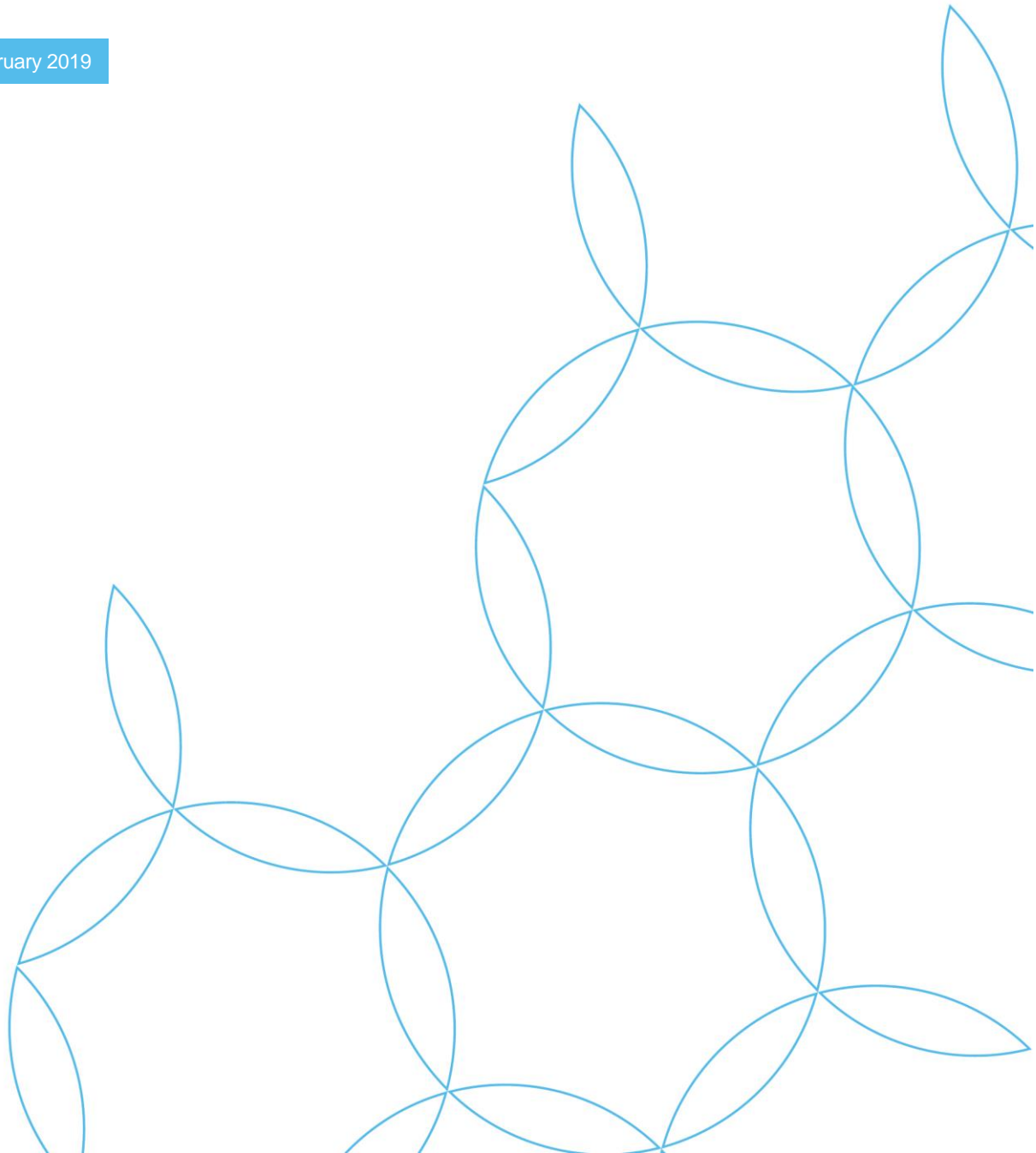




中粮国际
COFCO INTL

Supplier Code of Conduct

Version 02 | 13 February 2019



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1/ Key Policy Points

- COFCO International commits to sustainable and responsible sourcing and procurement practices.
- All our suppliers are expected to comply with a set of General Principles under this Code.
- In addition, all suppliers of agricultural commodities are expected to comply with Additional Principles set forth in this Code.
- We will develop procedures to assess supplier performance against this Code.
- We provide grievance channel for stakeholders to report non-compliance with this Code.

2/ Purpose

COFCO International actively pursues long-term relationships with its suppliers based on responsible and sustainable business practices. This Policy outlines the principles and requirements we expect our suppliers to adhere to, which will support us in achieving a supply chain and procurement practice with a high degree of integrity and is socially responsible, environmentally sustainable and economically profitable.

3/ Scope

The General Principles stipulated in this Code apply to all our suppliers, while Additional Principles apply to our agricultural commodity suppliers. We expect them to uphold and respect these Principles and to disseminate and educate their employees, agents and sub-tier suppliers on the content of these Principles. Should a supplier fail to comply with these Principles, COFCO International reserves the right to demand corrective measures to promptly rectify any such failure, which may lead to remedial measures, including for example immediate termination of business relationship.

4/ Policy Statements

General Principles for all COFCO International suppliers

Business ethics and compliance

- Comply with all applicable laws and regulations, and conduct business with a high degree of integrity;
- Not to practise nor tolerate any form of corruption, extortion or embezzlement - including – but not limited to - any fraud, bribery, extortion, deception, abuse of power or money laundering. Suppliers will not offer or accept bribes or other unlawful incentives. This includes offering any valuable item and/or any kind of personal benefit to our employees such as travel, frequent meals, expensive gifts or cash equivalents unless if there is a direct link to working arrangements and a genuine business reason can be demonstrated;
- Avoid any relationship with a COFCO International employee that might conflict, or appear to conflict with the employee's obligation to act in the best interest of the company; and
- Safeguard and make only appropriate use any confidential or proprietary information of COFCO International, unless authorized on the contrary by written agreement or compelled to do so by law. Suppliers shall not attempt to infringe COFCO International's intellectual property rights in any way.

Human and labour rights

- Protect the human rights of its employees as set out in the International Labour Organization's eight Core Conventions, and treat them with dignity and respect;
- Grant employees the right to freely associate, organize and bargain collectively in accordance with applicable laws and regulations;
- Only employ workers who meet the applicable minimum legal age requirement and not tolerate any form of child labour;
- Not tolerate slavery, servitude and forced or compulsory labour and human trafficking;
- Not tolerate any form of discrimination or harassment; and
- Provide employees' pay, including minimum salary, overtime payment, work hours and conditions in compliance with applicable laws and regulations.

Occupational Health and Safety (OHS)

- Provide a safe and healthy work environment to all employees, including migrant workers and seasonal labourers. As a minimum, potable drinking water, electricity access, access to emergency healthcare, essential personal protective equipment, adequate sanitation facilities, fire safety and machine safeguarding must be made available to all employees;

- Work towards continuous improvement of OHS performance, possibly by establishing and maintaining a management system, consistent with OHSAS 18001.

Environmental Management

- Commit to meet the environmental legislation inherent to the business activities;
- Use renewable and non-fossil fuel energy, as well as climate-friendly products wherever possible, contributing to the reduction of greenhouse gas (GHG) emissions;
- Use water efficiently by minimizing withdrawal, preventing pollution, avoiding downstream adverse impacts on communities and ecosystem, and taking additional resource efficient measures in water-stressed areas;
- Minimize, re-use and recycle waste where possible and dispose of waste in a responsible way; and
- Work towards continuous improvement in environmental performance to prevent, control and mitigate impact, possibly by establishing and maintaining a management system, consistent with ISO14001.

Supply Chain Management

- Uphold sound supply chain management to ensure that sub-suppliers well understand and comply with sustainability principles outlined in this Code.

Additional Principles for agricultural commodity suppliers

Trade Sanctions

- Comply with applicable trade sanctions laws and regulations; and
- Refrain from engaging in any transaction with a sanctioned party or country or using another party to carry out activities that could not be lawfully performed directly due to trade sanctions prohibitions.

Sustainable agricultural practices

- Use environmental practices that avoid deforestation and protect against conversion of natural and critical habitats leading to a loss of biodiversity;
- Apply best agricultural practices that enhance soil fertility and prevent erosion; and
- Use agrochemicals consistent with good agricultural practices and based on crop requirements.

Land rights

- Adhere to responsible governance of land tenure and respect land rights of local and indigenous communities, including legal and customary land rights; and
- Obtain Free, Prior and Informed Consent (FPIC) from indigenous and local communities for the use of their customary lands prior to agricultural development.

Supply chain transparency

- Wherever possible and when requested, provide to the extent the commodity value chain allows, traceability of commodity sourcing to site of production.

5/ Implementation

We will develop clear procedures to assess suppliers' performance against this Code.

In addition, for agricultural commodities with prominent supply chain environmental and social challenges, including soybean and palm oil, we have been developing commodity-specific sourcing policies to guide our suppliers' implementation of this Code. Please refer to our Sustainable Soy Sourcing Policy and Sustainable Palm Oil Sourcing Policy (available at: www.cofcointernational.com).

6/ Non-compliance

Reporting misconduct

COFCO International will seek collaboration with our suppliers and other stakeholders to assist the implementation of this Code. We encourage stakeholders to report potential non-compliances via COFCO International Integrity Hotline (cofcointernational.ethicspoint.com).

Similarly, suppliers who believe that an employee of COFCO International, or anyone acting on its behalf, has engaged in illegal or otherwise improper conduct, should report the matter to COFCO International. Suppliers can contact the employees' manager or use our Integrity Hotline. Relationships with COFCO International will not be affected by an honest report of potential misconduct.