



中粮国际
COFCO INTL

Sustainable Soy Sourcing Policy

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1/ Key Policy Points

- COFCO International commits to support the sustainable and responsible production and sourcing of soy.
- All our soy suppliers are expected to comply with our Supplier Code of Conduct; pre-financed soy suppliers in the Brazil Cerrado and Amazon biomes are expected to comply with additional specific requirements set out in this Policy.
- We will develop procedures to assess supplier performance against this Policy.
- We provide grievance channel for stakeholders to report non-compliance with this Policy.
- We will report our implementation progress of this Policy in our sustainability reports, among other channels.
- We will develop sustainable soy sourcing criteria for more origination geographies.

2/ Purpose

COFCO International's Supplier Code of Conduct sets out general principles that we expect all our suppliers to adhere to, to ensure a responsible and sustainable supply chain. For our agricultural commodity suppliers, commodity-specific sourcing policies are developed to provide suppliers with specific implementation guidance and support them in minimising environmental and social impact of their agricultural commodity production and sourcing. This Sustainable Soy Sourcing Policy is one of this set of policies focusing on our soy supply chain.

3/ Scope

This Soybean Sustainable Sourcing Policy is applicable to soybean suppliers producing in Brazil with whom COFCO International has a direct pre-financing contract and whose production areas are located in the environmentally sensitive areas of Brazil Amazon and Cerrado.

4/ Policy Statements

Suppliers that fall in the scope of this Policy must meet the following conditions:

- Comply with all applicable laws and regulations, including registration in the Brazilian Rural Environmental Cadaster (CAR).
- Respect High Conservation Value (HCV) areas mapping: soybeans supplied shall be sourced from land that has not been converted from HCV areas to other categories of land-use, applying the following cut-off dates (except if provided for otherwise under national legislation and duly authorized by the competent authority):
- In the Amazon Biome, suppliers will respect the existing Soy Moratorium and not source from areas cleared of natural habitat after July 2008.
- Suppliers will respect cut-off dates for land conversion as defined under Brazilian national legislation.
- Respect for Indigenous Peoples land, including: Free, Prior and Informed Consent (FPIC) must be obtained from indigenous and local communities for the use of their customary lands prior to agricultural development, in order to:
- Ensure that the development process fully respects the human rights, dignity, aspirations, culture, and natural resource-based livelihoods of Indigenous Peoples.
- Anticipate and avoid adverse impacts that projects may have on communities of Indigenous People, and when avoidance is not possible, minimize and/or compensate impacts.
- Be absent from the forced labour list (Cadastro de Empregadores) issued and made public by government, to the extent such a list is issued and available for consultation.
- Be absent from the embargoed areas list issued by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA).
- Implement sustainable agricultural practices as stipulated in the COFCO International Supplier Code of Conduct and, in addition, implement a no burn policy applicable to all land clearance activities, in accordance with Brazilian legislation.

5/ Implementation

We will develop clear procedures to assess suppliers' performance against this Policy. We reserve the right to disengage from suppliers based on their performance against this Policy. We will report policy implementation progress in our annual sustainability reports, among other channels.

6/ Non-compliance

Reporting violations

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