



COFCO INTL

Transforming agriculture in a changing world

Sustainability Report 2021 – Summary

COFCO International Ltd

Towards a more resilient future for agriculture

The world has faced unprecedented change and uncertainty in recent years. As we emerge from the disruption of the Covid-19 pandemic and amid geo-political conflict and climate and biodiversity challenges, we at COFCO International remain steadfast in our aim to help feed the world responsibly. During these volatile times, we have taken definitive action to protect our people and maintain our supply chains, while continuing to promote product quality and innovate to exceed customer expectations.

Above all, we remain committed to supporting the transformation of the global food system and nourishing the growing population by acting on the social and environmental issues where we can make the greatest impact. This includes our efforts to source more sustainably, protect human rights, uphold safety in the workplace and engage with communities. We are expanding the scope of our ambitions to reduce our carbon footprint and conserve nature. Every step we take will improve our own resilience and ability to thrive in the future.

Our mission:

To create a positive and sustainable impact on our people and shareholders, on farmers and communities and on our customers and partners.

Our values:

Integrity
Inclusiveness
Innovation
Sustainability

Contents

- 4 Building resilience in uncertain times**
- 6 We are COFCO International**
- 8 Our role in the global agricultural value chain**
- 10 Meeting Tomorrow's Demand**
- 14 2021 highlights**
- 16 Connecting supply and demand responsibly**
- 25 Taking care of our people**
- 31 Managing our environmental impact**
- 35 Building strong communities**
- 40 Upholding standards**



Building resilience in uncertain times

As we emerge from the pandemic and navigate its impact on global health and economies, we remain steadfast in our commitment to feed the world responsibly and help transform the global food system. We have leveraged our flexibility and innovative capacity to build resilience and overcome disruption amid uncertain times. And in everything we do, we prioritise the safety of our people and the continuity of our supply chains.

Now, more than ever, we recognise the importance of a healthy climate and ecosystems for a thriving agricultural sector. In 2021, we committed ourselves, along with our sector, to taking collective action on a roadmap for enhanced supply chain action consistent with a 1.5 degrees pathway, with a major focus on eliminating deforestation. This was further underlined by our commitment to achieve deforestation and conversion-free soy supply chains across the Amazon, Cerrado and Gran Chaco, Latin America's most sensitive regions by 2030.

Our sustainability strategy, Meeting Tomorrow's Demand, remains the guiding light behind all our efforts to integrate action on social and environmental issues at the heart of our business growth and efforts to create value for stakeholders. This also supports broader globally agreed principles and ambitions, including the UN Global Compact and the UN's 2030 Sustainable Development Goals.

Within our sourcing activities, I am proud that we have met all the targets under our original \$2.3 billion sustainability-linked loan, advancing

our journey on sustainable soy and palm oil sourcing. Building on this, our new \$700 million loan will take us further towards addressing social and environmental risks in our supply chain. Through the Soft Commodities Forum, we have traced all our direct soy suppliers within 61 municipalities in the Cerrado. We have also generated over 670,000 decarbonisation credits through the RenovaBio programme in Brazil while starting a project to reduce the emissions of coffee farming.

Our people remain our first priority and most valuable asset. We established strong foundations for a more inclusive culture, one of our key values, launching our Brazil Diversity Committee, and empowering our leaders to create diverse teams. Meanwhile, we began plans to further promote human and labour rights within our operations and across our supply chains.

We advanced our journey to reduce our environmental impact, lowering our greenhouse gas emissions and continuing to promote the use of clean energy. In 2021, 85% of our energy needs were met by renewable energy.

“

Now, more than ever, we recognise the importance of a healthy climate and ecosystems for a thriving agricultural sector.”

David Dong

CEO of COFCO International



The energy intensity of our operations is improving, and I am pleased that we are making progress against our water intensity target. As global trade increases, we remain committed to acting with the maritime shipping industry to achieve a low-carbon future for shipping.

Importantly, we retained our focus on expanding access to the agricultural industry for remote rural communities, and improving smallholders' livelihoods. Some 36,000 people benefited from our community programmes.

Upholding strong standards underpins and strengthens all our efforts. We further engaged our employees and stakeholders with our Integrity Hotline in 2021, firmly establishing this as a robust, centralised grievance mechanism. I am pleased to report no instances of corruption or product safety, and to confirm that we continue to invest in maintaining our performance.

I would like to thank all our employees and partners for your continued support in a challenging year. As we look ahead to 2022, we and our industry have an unprecedented opportunity to come together, build momentum and accelerate the transformation of our food and agricultural system.

We are COFCO International

With a mission to feed the world responsibly, COFCO International is a global agri-business committed to promoting food security through sustainable agriculture.

We have 11,511 employees in 37 countries, and focus on harnessing the diversity of people for success. Our growing business covers the sourcing, storing, processing, trading and transporting of major commodities including grains, oilseeds, sugar, coffee and cotton. In 2021, we traded 133 million tonnes of commodities, generating revenues of \$48 billion.



	 Warehouses	 Processing	 Ports
APAC	1	1	
EMEA	15	2	4
Latin America	36	8	8
North America	3		3

COFCO International investors



TEMASEK

\$48B
Revenue

133M
Tonnes turnover

33M
Tonnes port capacity

11,511
Employees



37
Countries

2M
Tonnes inland storage capacity

27M
Tonnes processing capacity

Our role in the global agricultural value chain

Connecting supply...



Agricultural inputs

We work with agricultural input providers to help create a growing market for more sustainable products to raise productivity and increase yields while protecting the environment and local communities.



Production

We operate some 180,000 hectares of sugarcane plantations in the major sugar-producing state of São Paulo, producing sugar, ethanol and bioenergy.

Our teams are continuously improving farm practices by harnessing organic pest control methods and fertilisers – for instance, through the application of concentrated vinasse – while also reducing farm-level carbon emissions with crop rotation and other practices. We strive to monitor flora and fauna, conserve natural habitats and engage in reforestation initiatives.



Sourcing

To reduce risk in our supply chains and build strong relationships with producers, we prioritise sourcing directly from farmers and co-operatives, where possible, in all major production countries.

All our suppliers are required to uphold our rigorous ethical and environmental standards. We are increasingly evaluating supplier risk and investing in technologies to monitor their compliance with our criteria. We focus on our most strategic suppliers and those posing the greatest risk. We also support efforts to build farmer capacity.



Storage

We store agricultural commodities in warehouses and silos at strategic locations globally, ahead of processing or delivery. These are operated by COFCO International or third parties.

Importantly, we maintain high standards of product quality and health and safety, in line with consistent corporate policies and relevant legislation.

Optimising

To help promote global food security as demand for agricultural commodities rises, we continuously strive to improve our performance and maintain continuity, in the face of economic uncertainty, geo-political conflict, climate change, yield unpredictability and volatile prices. We collaborate with all our stakeholders to help strengthen and transform the food system.

...with demand

chain footprint



Processing

We process agricultural commodities into products for local and global markets at our refineries and crushing facilities in South America, Europe, Asia and Africa. The growing Asian market is a major focus.

We innovate and invest in technologies to optimise energy and water consumption, increase our use of renewable energy and create value from by-products and waste. All our facilities adhere to a consistent environmental, health and safety management system based on international standards.



Trading

We leverage multiple platforms to trade agricultural commodities at scale internationally.

To trade effectively and meet customer demands, we monitor global supply and demand trends, and strive to remain agile and responsive to ensure timely deliveries and address the challenges of any market shortages, promoting a streamlined flow of commodities within and across borders.



Transport and Distribution

We leverage our sophisticated global maritime logistics network and large modern fleet of vessels to transport the majority of our commodities. We also provide freight services to industrial customers.

We are acting to monitor greenhouse gas emissions from our time-chartered and voyage-chartered vessels and make fuel, energy and efficiency savings, in line with the shipping industry's ambitions to halve its carbon footprint by 2050.



Retail and marketing

Together with retail customers, we strive to meet consumer demand for sustainable products and provide greater transparency while also building resilience and supply continuity.



Consumption

We collaborate with our supply chain partners to help promote sustainable consumption and responsible purchasing choices, including through sustainability certifications and greater supply chain transparency.

our impact

Meeting Tomorrow's Demand

Our sustainability strategy prioritises the 12 issues that matter most to our business and stakeholders, and where we can achieve the greatest impact. As we continue to advance towards our goals, we will build resilience, fulfil our mission to feed the world responsibly and deliver sustainable business growth, while supporting the UN's 2030 Sustainable Development Goals (SDGs).

We are developing a consistent, holistic approach to protect the climate, conserve nature, respect human rights, and positively impact societal development across our activities, prioritising four areas where we believe we have the most potential to make a positive difference. These are: promoting sustainable agriculture, upholding human rights, ensuring the safety of those who contribute to our business and improving the lives in the communities where we operate.

Our areas



Connecting supply and demand responsibly



Our strategic objectives

Towards efficient, low-carbon and sustainable supply chain management, innovating to raise agricultural productivity, build climate resilience and promote biodiversity.

Our material issues

- **Priority: Sustainable agricultural sourcing**
- Agricultural innovation
- Responsible agricultural production

Our policies

- Supplier Code of Conduct
- Sustainable Soy Sourcing Policy
- Sustainable Palm Oil Sourcing Policy
- Conversion-free Soy Standard (2021)

In 2021, we expanded our sustainable sourcing requirements, including the way in which we manage human rights risks, maintained rigorous health and safety standards at all our assets, strengthened our community investment projects and empowered our Sustainability Ambassadors to further champion and lead local projects

worldwide. We also improved our corporate policies and governance systems. We will continue to review and evaluate our strategy, sharing our progress transparently. Our sustainability policies can be found in our [website](#).

Our targets

Our progress

– Full traceability to farm for directly sourced Brazil soybean by 2023	●●●●○
– 85% direct supplying farms in Brazil's Matopiba region with environmental and social assessment by 2021	●●●●●
– All indirect suppliers mapped to the first point of aggregation in the SCF 61 focus municipalities by Dec 21	●●●●●
– Monitor and disclose deforestation and conversion-free footprint of direct sourced soy in the SCF 61 focus municipalities	●●●●●
– Achieve a Deforestation and Conversion-free soy supply chain by 2030 in sensitive regions of Latin America	●●●●○
– Achieve and maintain full traceability to mill level for global palm oil sourcing	●●●●○
– Evaluate the sustainability performance of all direct palm oil suppliers with regular business relationship	●●●●●
– Ensure the completion of targets under the palm oil Implementation Plan 2022-23	●●●●○

Meeting Tomorrow's Demand (continued)

Our areas

Our strategic objectives

Our material issues

Our policies



Taking care of our people



Respecting human and labour rights, providing a safe, healthy and inclusive work environment, helping our employees to fulfil their potential.

- **Priority: Respect for human and labour rights**
- **Priority: Occupational health and safety**
- Talent attraction and retention

- Occupational Health and Safety Policy
- Human Rights and Labour Policy
- Equal Opportunities Policy
- Training and Development Policy



Managing our environmental impact



Advancing resource efficiency, lowering carbon emissions and creating value from waste.

- Water management
- Waste management
- Energy efficiency and emissions reduction

- Environmental Policy



Building strong communities



Improving farmer livelihoods and creating a positive impact on people and the environment in the communities where we work and live.

- **Priority: Community engagement**

- Stakeholder Engagement Policy
- Responsible Land Acquisition and Leasing Policy
- Community Investment Policy



Upholding standards



Ensuring the quality and safety of our products, maintaining good corporate governance and compliance.

- Good governance and compliance
- Product quality and safety

- Code of Conduct
- Food and Feed Safety Policy
- Anti-Bribery and Corruption Policy
- Anti-Money Laundering Policy
- Gifts and Entertainment Policy
- Global Procurement Policy

Our targets

Our progress

– Zero employee and contractor fatality	●●●●●●●●
– Safety Index for employees and contractors ≤ 1.5	●●●●●●●●
– 2% employee work time dedicated to EHS training	●●●●●○
– 1.5% contractor work time dedicated to EHS training	●●●●●●●●
– Reduce water intensity index by 10% by 2025 from 2019 baseline	●●●●●○
– Implement Stakeholder Engagement Plan and social dialogue at all high community impact operations by 2021	○
– Conduct environmental and social impact assessment prior to all new site construction and acquisition	●●●●●●●●
– Zero food/feed safety incident	●●●●●●●●
– 100% resolution of grievances received through our Integrity Hotline	●●●●●●●●

2021 highlights



Connecting supply and demand responsibly

Met all targets

under the \$2.3B sustainability-linked loan



Taking care of our people



Safety

Met safety index targets for employees and contractors

New goal

Deforestation and conversion-free soy supply chain by 2030 in Latin America's sensitive regions



Launched

Diversity Committee

in Brazil, offering training to 70%+ leaders



Pilot with coffee farms

in Brazil to measure GHG emissions at farm level



97%

of palm oil volumes covered by re-evaluation of supplier sustainability performance



Action plan

to address human rights risks in our operations and supply chain



Managing our environmental impact

5.4%

decrease in water intensity of our industrial operations



COP26

Joined industry commitment to decrease GHG emissions from agricultural supply chains



85%

of energy needs met by renewable energy



Low-carbon

Supported low-carbon shipping through Getting to Zero Coalition and the Sea Cargo Charter



Building strong communities

36,000+

people reached through community programmes



First

global Impact Season with over 50 projects involving 466 employees from 16 countries



53,000+

smallholder soy farmers benefited from Social Fuel Stamp programme



Upholding standards

9,069

trainings delivered to our employees on business ethics



Zero

food and feed safety incidents resulting in fines, penalties, or warnings

61

days average closure rate for Integrity Hotline cases



Connecting supply and demand responsibly

We work closely with our suppliers to raise production while improving social and environmental standards in our supply chain to address the increasing demand for sustainable commodities.

- 17 Soybean
- 19 Sugarcane
- 21 Palm oil
- 23 Coffee
- 24 Cotton

Our wider contribution UN Sustainable Development Goals



IFC Performance Standards





Soybean

Soybeans are a major commodity worldwide, as they provide an efficient form of protein for animal feed and are the raw material for soy-derived biodiesel. Production continues to rise, due to increasing demand from the world's growing population for these products.

Understanding the challenges

Latin America's sensitive ecosystems are at risk from deforestation and native vegetation conversion, issues which are directly linked to climate change. Stakeholders are therefore increasingly requesting that trading companies provide more accountable and sustainable supply chains. And with extreme and irregular weather already impacting agriculture in the region, identifying solutions at scale is vital to making progress and protecting the future of the soy industry.

Progress summary

Strengthening and implementing our Soy Policy

In 2021, COFCO International launched a new version of its Sustainable Soy Sourcing Policy, enlarging the scope to all soy and soy products sourced globally, with specific requirements for Brazil and other Southern Cone countries. This enabled us to capture key updates and sector best practice, while implementing the recommendations of our Human Rights Impact Assessment. As part of our actions to implement the policy, we mapped and analysed over 1.4 million hectares of soy farms, and provided training to more than 1,000 employees.

In the Brazilian Cerrado region, we conducted an in-depth analysis of our direct supply chain, together with our partner, Agrosatélite, having concluded that 98% of our volume is deforestation and conversion-free (DCF) after 2019. These findings will further inform our strategy for a deforestation and conversion-free soy supply chain in Latin America by 2030.

Meeting market demand on certified products

We finalised the COFCO International Conversion-Free Soy Standard, a verified certification scheme that allows us to source soybean and products in line with customers' specific cut-off dates, and sold the first vessel of soy under this certification. Additionally, we sold a total of 6,000 tonnes of soybeans and 7,600 tonnes of soymeal under Round Table of Responsible Soy certification.

Towards sustainable biodiesel

We mapped over 837,283 hectares of soy farms to confirm their compliance with 2BSvs requirements, including those located in the Gran Chaco forest, enabling the production of nearly 109,700 tonnes of biodiesel under this scheme. In Brazil, we produced 814,499 m³ of biodiesel from soy farms in line with RenovaBio certification requirements, generating 150,000+ CBios.

Engaging with stakeholders

Together with the IFC, a member of the World Bank Group, we exceeded our goal to cover 85% of the company's directly sourced soy in Matopiba by the end of 2021, achieving all our direct supplies from current suppliers in the region. Additionally, together with Embrapa, we offered capacity building to more than 1,000 farmers.

Through our participation in the Soft Commodities Forum, we reported 100% traceability to farm for the soy purchased directly from farmers in 61 focus municipalities (an expanded scope from the original 25) in Brazil's Cerrado, achieving our targets. Read more in our [SCF progress reports](#).

“

With full visibility of our direct soy supply chain in the region, we are able to support local farmers on their journey towards sustainable and economically viable soy production.”

Julia Moretti

**Global Head of Sustainability,
COFCO International**





Sugarcane



Sugar is an essential component of the human diet and its by-product ethanol can be used for biofuels and bioenergy.

Sugarcane is the only commodity that COFCO International both produces and mills. We are among the world's top five sugar traders, operating plantations and sugar mills in Brazil, with direct control over production processes. This allows us to continuously improve our agricultural practices towards sustainable supply chains.

Understanding the challenges

Sugarcane production is affected by climate, water scarcity, soil health and biodiversity challenges. We continue to improve soil health, protect pollinators, and invest in technological solutions.

Progress summary

Our efforts to decrease greenhouse gas emissions are focused on both reducing our farming emissions and capturing more carbon in the soil for the long term, while also improving soil health.

Efficient application of vinasse

In 2021, we installed concentration systems for the by-product vinasse in two industrial plants producing sugar and ethanol, Catanduva and Sebastianópolis. These systems increase the concentration of vinasse, thereby reducing the volume that needs to be transported to reach the fields. By reusing water from vinasse in industrial processes, we reduced freshwater withdrawal by 10% in 2021 at our Catanduva and Sebastianópolis operations. Using vinasse as a biological fertiliser reduces the need for mineral fertilisers and improves soil health and yields. All these activities combined will help to reduce the GHG emissions of our sugar production.

Energy efficiency and certification

In 2021, we issued 523,315 CBio carbon credits under the RenovaBio programme for ethanol. We will renew the certification of our Sebastianópolis and Potirendaba operations in 2022, which is expected to significantly improve our energy and environmental efficiency score and eligible volume. Further efficiency improvements enabled us to successfully renew our Greener Ethanol and Green Energy certificates. These are Brazilian initiatives between government agencies and the sugar-energy sector.



Managing climate and biodiversity

At the farming level, we are also reducing GHG emissions through the consolidation of operations in a smaller number of machines and using technology to optimise the process. One example is the automation and optimisation of our sugarcane harvesters, which now feature a GPS system to improve efficiency by avoiding any harvesting errors. We are also operating our equipment with effective routes and spacing between planting beds to avoid overburdening the soil and help ensure the most productive yield and reduced fuel consumption.

COFCO International installed 114 weather stations on the farms we operate in 2021 to monitor and understand the changing weather with greater precision and leverage the findings to better manage our crops. Through this initiative, known as Project Climate, we are collecting a significant amount of data throughout the day, increasing efficiency in a wide variety of areas such as irrigation and the application of wastewater.

We monitor flora and fauna around all four of our sugar mills, covering 2,975 hectares. Additionally, we planted 153,717 seedlings in our forest restoration area in 2021.

Enhancing fire controls

A central fire control station at the São José do Rio Preto office monitors all our farms and surrounding areas, 24 hours a day, through geographical information systems and satellite imagery. We also engage in preventative action with local stakeholders, and in 2021, we raised awareness among employees and local communities through a dedicated campaign and firefighting and prevention manual.

Engaging with suppliers

Between June and September 2021, we conducted 22 inspections among our sugarcane providers and suppliers. We reassess and support all providers and suppliers with performance levels below 70% in line with robust action plans to help improve performance.





Palm oil

Palm oil is used globally in multiple everyday products and is efficient to grow compared to other vegetable oils, in terms of land required for production. Many countries are also sourcing palm oil as a feedstock for biodiesel.

Understanding the challenges

In Indonesia and Malaysia, our major producer countries, supply chain challenges include poor labour conditions and human rights risks, deforestation, environmental degradation and land rights issues, as production expands to new areas. In 2021, the price of palm oil rocketed, as labour shortages and extreme weather in Malaysia caused supply issues while global demand rose. Forested land remains vulnerable to appropriation and deforestation for plantation, particularly in Indonesia.

We are committed to supporting the sustainable and responsible production and sourcing of palm oil, both through our own no deforestation, no expansion on peat and no

exploitation (NPDE) commitments and our support of the Roundtable on Sustainable Palm Oil's (RSPO) ambitions for sustainable, transparent and traceable palm oil supply chains. These efforts are central to the sector's competitiveness and future viability.

COFCO International does not operate any oil palm plantations or mills. We act as a trader, supplying China and India, with only one RSPO-certified refinery in Kandla, India. Our efforts therefore centre around tracing the journey of palm oil through our supply chains and identifying and addressing risks along the way to drive targeted progress.

Ultimately, we aim to reach full traceability to mill. We support our direct suppliers in upholding the high standards required by our Supplier Code of Conduct and adhering to the specific principles highlighted through our Sustainable Palm Oil Sourcing Policy on physical palm oil, palm kernel oil and derivatives, as well as sub-tier suppliers.

Progress summary

In 2021, we updated both our Supplier Code of Conduct and our Sustainable Palm Oil Sourcing Policy to reflect best practice in the sector, encompass our latest procedures and include the recommendations from our 2020 corporate Human Rights Impact Assessment. The changes focused on protecting people and communities, and requirements for suppliers to consider risks at plantation level.

We have developed a new **Implementation Plan** to ensure that suppliers are taking action on the ground and upholding our policy requirements. Through this, we aim to achieve and maintain full traceability to mill level for our global palm oil sourcing, and ensure that direct suppliers have NDPE policies and plans by 2023.

We will continue to respond to any grievances through our dedicated **Palm Oil Grievance Procedure**, and deliver appropriate solutions. In 2021, we logged 17 substantiated palm oil-related grievances. We have closed 76% and continue to monitor the remaining cases.

Supply chain transparency

To improve our suppliers' performance, reduce risk and increase transparency in our palm oil supply chains, we request information that helps us to understand the precise journey of each shipment from the respective mill.

In 2021, we traced 87% of volumes to supplying mill level, down from 91% in 2020. This was largely due to the need to rely on domestic purchases amid the supply and demand disruption caused by the Covid-19 pandemic. With this decrease, we were unable to reach our target of achieving full traceability to mill-level by 2021. We have now integrated that target into our new Implementation Plan and will continue to strive for greater supply chain visibility. We remain committed to sharing our externally verified supplying mills list.

Making collective progress

Collaborating with stakeholders across the palm oil sector remains an important way to drive systemic progress on sustainability.

As a member of the **Palm Oil Collaboration Group**, we participate in technical discussions to accelerate the effective implementation of NDPE commitments and promote sector-wide consistency in measuring and reporting progress.



97%

of palm oil volumes covered
by re-evaluation of supplier
sustainability performance



Coffee

Coffee is among the most popular drinks worldwide, with global demand set to rise by 25% by 2030. COFCO International sources coffee from Brazil, Vietnam, Colombia and Indonesia.

Understanding the challenges

Coffee plants are highly sensitive to the changing climate, which stands to reduce the areas suitable for cultivation. Extreme and irregular weather can encourage plant disease, posing risks to smallholders' crops and livelihoods. Additionally, washing coffee puts pressure on scarce water resources. Labour shortages continue to create logistical challenges, and promoting decent work remains a challenge.

Progress summary

We are expanding the share of certified sustainable products we purchase in order to improve the sustainability of coffee, in line with customer demand and with evolving policies. Our involvement in recognised coffee certification

programmes enables us to support farmers in building climate resilience and improving their livelihoods. In 2021, 28% of our total coffee sales volume was certified or verified as sustainable, compared to 27% in 2020.

We support certification programmes including:



Building farmer capacity

In Colombia, we significantly increased our share of certified coffee, sourcing from 750 certified farms. We conducted rigorous training and farm visits, and continued to encourage practices that help to conserve natural waters, protected forests and native trees. Meanwhile, in Brazil, 36% of coffee sales in 2021 were of responsibly sourced coffee.

We also continued our financial and advisory support of the Cerrado Waters Consortium (CWC) in the sensitive Cerrado biome to help fight climate change and conserve freshwater systems. We expanded the scope of the project, with some 73 farms now participating. We also continued to engage with the Cerrado's Viveiro de Atitude charity conservation project, which is involving local communities in planting over 100 species of native trees and 60 million seedlings annually.

Understanding and reducing our coffee production carbon emissions

We are continuously building our understanding of the carbon impact of coffee in order to reduce the emissions of its production, with a particular focus on reducing the footprint at farm level, where we have the greatest opportunity to make an impact.



Cotton



Cotton is the world's most used fibre and is present in multiple products in our daily lives. COFCO International is a significant player in the cotton market with storage, distribution, and trading activities, and with presence in all significant markets

Understanding the challenges

Cotton is also vulnerable to climate change, with irregular seasons creating challenges for sowing and cultivating healthy crops. Improving efficiency in the use of water, pesticides and fertilisers remains important.

Progress summary

In 2021, despite the continued supply chain challenges caused by the Covid-19 pandemic, we traded a larger volume of cotton in comparison with 2020, sourcing from countries representing 84% of global production across North and South America, South and Southeast Asia, Europe, West Africa, and the Middle East.

We continued to source part of our cotton volumes through sustainability certification programmes across the globe, including Cotton made in Africa (CmiA), an initiative that seeks to strengthen environmental protection at plantation level while improving the living and working conditions of smallholder farmers in Africa. A total of 21% of the cotton we sourced in 2021 was produced under sustainability certification programmes.



Taking care of our people

Fostering a diverse and inclusive workplace is at the heart of our efforts to attract and develop the talent we need to succeed, innovate, and grow. We take every opportunity to empower our employees to thrive, continuously improving our learning offering and promoting diversity and equality, and safeguarding human rights, while protecting our people's health and safety at work.

Our wider contribution UN Sustainable Development Goals

3 GOOD HEALTH AND WELL-BEING



8 DECENT WORK AND ECONOMIC GROWTH



17 PARTNERSHIPS FOR THE GOALS



IFC Performance Standards



Keeping people healthy and safe

The health and safety of people who support our business, including employees, contractors and suppliers, is a major priority and key focus of our sustainability strategy.

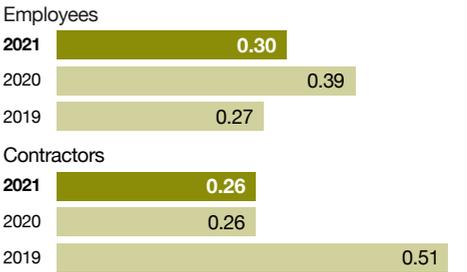
We promote a safety-aware a culture in which people are motivated to adopt safe behaviours, while also managing workplace risks and continuously improving our practices to help ensure that safety principles are upheld throughout our operations. Our Occupational Health and Safety Policy underpins our approach, guiding all our global sites on our standards.

Performance overview

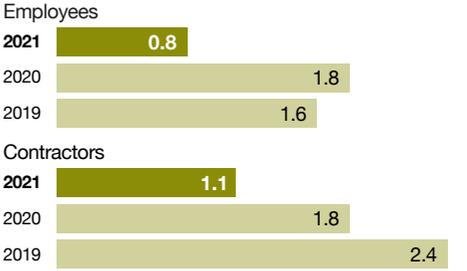
Overall, we achieved solid progress in 2021, meeting important goals, including no employee or contractor fatalities and a below target safety index of 0.82 and 1.11, respectively. The latter represents a significant decrease of 54% for employees and 38% for contractors. Time spent on EHS training rose substantially for contractors, with a 78% increase, enabling us to meet our goal (1.73% of their working time was spent on EHS training). While employees spent 3% more time on training compared to 2020, we have yet to ensure that 2% of their total time is dedicated to this endeavour (1.38% in 2021).

73%
of our assets had zero lost-time accidents during 2021

Lost-time injury frequency rate (per 200,000¹ work hours)



Safety Index² (per 200,000¹ work hours)



Note: our 2021 health and safety data has been verified by Bureau Veritas.

1 200,000 represents the number of hours of 100 employees working 40 hours per week, 50 weeks per year and provides the standard base for calculating incidence rates. (100*40*50=200,000)
2 Safety Index = (Medical Aid frequency rate/7.5) + (Total Lost Time frequency rate) + (Severity Rate/5)

Bringing global consistency to managing safety

In 2021, we launched our new global EHS platform, marking a significant milestone in the way we manage environmental, health and safety issues. All processes are now digitised to improve the efficiency of training, investigating incidents, and monitoring the impact of solutions, with several modules available in four languages. This will be fundamental in driving continuous improvement and ensuring compliance by enabling us to uphold consistently high standards at all our assets and offices.

Raising awareness of personal and occupational health

In 2021, we continued investing in raising awareness of health and safety matters with our employees and contractors, beyond occupational issues. Across Brazil, we ran new editions of the Pink October and Blue November campaigns, with actions to raise awareness on breast cancer and men's health issues, respectively. Globally, activities included first aid and CPR training, flu vaccination campaigns and disease prevention partnerships and awareness sessions.



Maintaining a Covid-secure environment

Amid the ongoing pandemic, we retained a keen focus on keeping our employees and partners safe, with a rigorous approach underpinned by our Covid-19 response policy and related processes, WHO health guidelines and industry best practice. We continued to distribute protective equipment and maintained our 'Stay Safe, Stay Connected' communications campaign to raise awareness of the measures relevant to assets and office employees.

Safeguarding human rights

Respecting the human rights of people throughout our operations and supply chains is central to our commitment to treat everyone with fairness and dignity.

It is also a key area of focus as one of the four priority material issues of our sustainability strategy. We aim to embed the UN Guiding Principles on Business and Human Rights (UNGPs) in all our activities to ensure that respect for human rights underpins both our operations and policies.

This starts with our [Code of Conduct](#) for employees and our [Supplier Code of Conduct](#) for suppliers and partners, and our [Human Rights and Labour Policy](#), which outlines our commitment to comply with all relevant legislation and to implement best industry practices in all the countries where we operate.

Globally recognised conventions and standards, such as the International Labour Organization's (ILO) core conventions on labour rights, the UNGPs and the IFC Performance Standard on Labour and Working Conditions, are a foundation for our sourcing and operational policies.

All our stakeholders are invited to report any concerns regarding human and labour rights risks within our operations and supply chains confidentially and anonymously via our Integrity Hotline.

Identifying and prioritising human rights risks

Understanding and gaining visibility over human rights risks is highly challenging within complex global supply chains. We seek to protect the

rights of everyone in our supply chain, including farmers and farm workers, yet as a commodity trader we are distant from field activities.

To improve our knowledge, and take targeted action, we partnered with BSR – an independent, not-for-profit organisation – to undertake an in-depth study of our global operations and key supply chains in 2020.

Equipped with the findings, in 2021 we developed an action plan to strengthen our due diligence approach and have begun establishing targeted activities. In particular, we revised our [Supplier Code of Conduct, Sustainable Palm Oil Sourcing Policy and Sustainable Soy Sourcing Policy](#). Additionally, we have continued to focus on building the capacity of farmers, and have sought to improve the accessibility of our global grievance system, our Integrity Hotline.

To further strengthen our approach to supply chain due diligence, we have also invested in a dedicated cloud-based solution to help assess non-trade supplier risks (including human and labour rights risks).



Talent and growth

We value our people highly and recognise their fundamental contribution in taking us forward to a more sustainable future, as we continue to grow as a business.

We are committed to enabling our employees to thrive by providing a positive work environment and continuously improving our learning and development opportunities. All employees are expected to share our values. Attracting talent remains an important focus, particularly within our highly mechanised agricultural operations, where we require a high level of skill and knowledge to operate efficiently. We continue to help expand access to these skills, taking an inclusive approach to overcoming skilled workforce shortages, while also making agriculture an attractive career option for young people.

Fostering development

Flourishing, competent and highly skilled employees improve performance and productivity. Our Training and Development Policy helps to ensure we continue to keep our employees well informed of our goals and provide the highest level of technical and professional development. We make available a diverse range of learning opportunities for our employees. This includes sponsorship to learn cutting edge technologies or leadership thinking for our corporate employees and mandatory environmental, health and safety training for asset employees.

In 2021, we continued to provide all training online to ensure accessibility throughout the Covid-19 pandemic, making over 100 new trainings available, in multiple languages, to

employees utilising our Learning Management System. Overall, our corporate employees completed 25,170 hours of training an increase of 3% compared to 2020, including more than double the number of mandatory policy training (14,512 hours), with a particular focus on topics including anti-bribery and corruption, data privacy and awareness training on our Integrity Hotline. Employees at our facilities also conducted regular training, centring on health and safety.

Engaging with new joiners

In 2021, we made further advances towards becoming an employer of choice by completing the global launch of a world-class onboarding platform to help new employees integrate effectively within the company. This sophisticated solution enables the entire process to be completed virtually, providing an efficient and engaging way for new joiners to gain access to the information they need to perform their roles safely and effectively. In particular, it helps to accelerate the process of settling in, while enabling managers and HR teams to monitor progress.

Our global workforce

11,511 employees

68 nationalities

37 countries

Promoting diversity and inclusion

COFCO International embraces its global presence and we employ people of 68 nationalities across 37 countries.

Importantly, we understand the value of diversity to our business in promoting innovation, productivity, and excellence. We therefore seek to create a diverse workforce, taking an inclusive approach to attracting talent and striving to leverage the different skills, perspectives and experiences of our more than 11,511 employees to innovate and grow as a business. Our Sunshine Culture, which centres around positivity, and our Code of Conduct set the tone for the ethical, inclusive and respectful behaviours we require from our employees. Additionally, our Equal Opportunities Policy is central to developing our corporate culture of diversity.

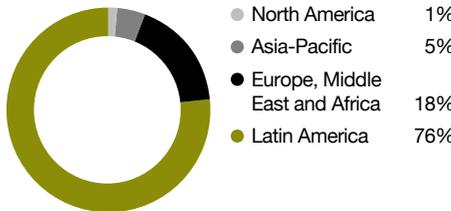
Advancing our diversity and inclusion journey

In 2021, we began a dedicated journey to diversity and inclusion, beginning in Brazil, where more than 60% of our employees are based. We laid the foundations by launching our Brazil Diversity Committee, taking steps to empower our leaders to promote diversity and train our employees, including through new diversity focus groups. Comprised of a steering group of directors and an operational working group, and entitled DNA (Diversity, Inclusion and Transformation), it meets regularly and will support the development and implementation of policies and guidelines. Over 75% of our leaders in Brazil took part in our first training programme to help us forge ahead on our diversity journey.

Diversity worldwide

Across the globe, we continued strengthening our efforts to celebrate diversity and ensure greater inclusiveness among our employees and contractors. In South Africa, we raised awareness of gender-based violence among our employees, and our local social committee engaged male employees with a Doek Competition on International Women's Day to help celebrate our women in our office. In Portugal, we celebrated our employees' 15 nationalities through a video on World Day for Cultural Diversity for Dialogue and Development. Many colleagues shared messages explaining the unique nature of their culture. Elsewhere, in Argentina, Uruguay and Paraguay, we maintained a 50% hiring rate for women in our offices, and continue recruiting and promoting more women at our assets.

Where do our people work?



What type of work?



Managing our environmental impact

Improving our environmental footprint is a continuous journey. We leverage our creativity and innovative capacity to identify opportunities to optimise the performance of our own operations and increasingly, our supply chain. In particular, we focus on decarbonising our industrial operations and logistics activities, transitioning to renewable energy, conserving freshwater resources and reducing waste.

Note: our 2021 carbon, energy and water data has been verified by Bureau Veritas.

Our wider contribution UN Sustainable Development Goals



IFC Performance Standards



Moving towards low-carbon operations, supply chain and shipping

Managing our environmental footprint is integral to our ability to perform and grow as a business, while contributing to global efforts to preserve natural resources, protect the climate and promote biodiversity.

As an agile international organisation, we empower our employees to act and take an informed, risk-based approach to driving change, prioritising the greatest opportunities for impact, including our industrial sites and sugarcane plantations. We strive to optimise energy use, water efficiency, waste management, chemical use, prevention of pollution and GHG emission reduction. Our global environmental policies and management system guide our efforts towards environmental stewardship.

In the year of the COP26 Climate Change Conference, we made decisive steps both within our business and took collective action within our sector to help reduce the carbon footprint of the food and agriculture industry. We have signed a joint statement along with 11 other agricultural companies to develop a roadmap by COP27 for our sector to improve GHG emissions arising from agricultural supply chains, supporting a 1.5 degrees pathway towards 2030.

Our global GHG emissions for the past three years are as follows:

	2021	2020	2019
Scope 1 (t CO ₂ eq)	714,483	787,208	792,221
Scope 2 (t CO ₂ eq)	103,052	99,115	107,809
Scope 3 (t CO ₂ eq)*	114,694	99,887	101,985
Total	932,228	986,209	1,002,015

*This includes energy and fuel-related Scope 3 emissions.

Improving energy efficiency across our operations

We reduced our energy consumption in 2021, with use decreasing from 57.3 to 46.9 million GJ (-18%). This is largely due to the reduction in energy consumption within our sugar industrial operations, which is driven by a significant decline in sugarcane processing. This also contributed to a 3.4% decrease in the energy intensity of our industrial operations (energy consumed per tonne of feedstock processed or crushed), together with various energy efficiency actions across operations.

85%

of our global energy needs met by renewable energy

Prioritising energy from renewable sources

We continue to prioritise the transition to renewable energy. In 2021, 85% of our global energy needs were met by renewables, a 3% year-on-year decrease. This was primarily due to the 23% decline in overall energy consumption at our sugar operations, which consume most of our energy and are almost entirely supported by renewables (93% of its energy needs met by renewables in 2021). Our sugar mills continued to supply local power grids with surplus bioenergy, providing 563,777 MWh in 2021, a 22% decrease on 2020 (723,921 MWh). This decrease is also related to our reduced production.

Carbon intensity indicator (kg CO₂eq/tonne processed)

2021	39.2
2020	35.9
2019	37.6

Energy intensity indicator (MJ/tonne processed)

2021	2,295
2020	2,376
2019	2,463

Towards low-carbon shipping

The journey to reduce shipping emissions continues amid the pandemic and as global trade continues to rise, while vessels remain in short supply. In 2021, we handled 55 million tonnes of sea cargo overall (compared to 54 million in 2020), including freight solutions for third parties. Our emissions for time-chartered ships in 2021 rose to 2,780,703 tonnes of CO₂eq from 1,558,433 tonnes of CO₂eq in 2020, reflecting our growing services and the consideration of 'in port' emissions.

We are supporting systemic change within the industry through two major collaborations. Through the Getting to Zero Coalition, and together with over 150 companies in the maritime, energy, infrastructure and finance sectors, we are working towards zero-emission vessels by 2030, together with economically viable clean fuels and related infrastructure. As signatories to the Sea Cargo Charter, we are supporting a better understanding of the sector's carbon footprint and a shared way of reporting shipping emissions across industries.

“

Diverse energy solutions are on the horizon, but remain subject to adequate research, time and resources. Ultimately, a viable formula will be composed of various energy solutions across the supply side, depending on vessel size, use and region. The industry is already setting ambitious targets. Now, the IMO must follow.”

Alessio La Rosa

Global Head of Freight,
COFCO International

Resource efficiency

Agriculture depends on a renewable supply of natural resources, yet it also a major consumer of resources, using around 70% of the world's freshwater.

Today, innovating to conserve water and preserve water quality is a pressing challenge for farmers worldwide. Some 98% of COFCO International's freshwater use is accounted for by our own sugar and industrial operations. We are therefore maximising the opportunity to make a difference by promoting resource efficiency within our sugarcane operations and at our sites, while sharing water resources responsibly with local communities. This in turn supports global ambitions for addressing water scarcity and expanding access to clean water.

In 2021, we withdrew 11,439,861 cubic metres of freshwater, a 20.4% decrease from 2020, as a result of process improvements implemented in operations and also driven by the significant decrease in sugar production. We also made progress towards our target to improve global water efficiency by 10% by 2025 (compared to 2019), achieving a 5.4% year-on-year decrease. This was due to major projects at important sites, including the wastewater treatment plants at our Brazilian sugar mills. Overall, 72% of the water we discharged was applied to agricultural land for irrigation.

Water performance

	2021	2020	2019
Water intensity (m ³ /tonne of production)	0.56	0.59	0.58
Freshwater withdrawal (m ³)	11,439,861	14,373,108	12,832,443

Understanding global water risks

Our water risk assessment, conducted in 2020, has provided an important insight into our physical, regulatory and reputational water-related risks and will enable us to better plan and manage our water use, particularly in light of climate and economic challenges. It will also help ensure that we comply with relevant regulations. Only 1% of our water use faces extreme water stress; this corresponds to our Kandla refinery, which has the lowest water intensity of all our industrial assets. We are developing plans, informed by these findings, to help reduce risk and conserve water resources.

Managing waste

We strive to prevent avoidable waste and manage all waste materials responsibly across our operations. In 2021, our total waste generation increased from 31,795 to 35,218 tonnes, driven by an increase in non-hazardous waste. The latter increased from 30,167 to 33,947 tonnes, primarily as a result of expanded monitoring at our port terminals and throughout our Brazil grains and oilseeds warehouses. Meanwhile, the generation of hazardous waste decreased from 1,630 to 1,271 tonnes, in line with our sugarcane production decrease. This led to a 10% decrease in non-hazardous waste intensity.

Waste generation

	2021	2020	2019
Hazardous waste generation (kg/tonne of production)	0.027	0.030	0.029
Non-hazardous waste generation (kg/tonne of production)	0.715	0.564	0.607

Building strong communities

We work with people living around our operations, listening to their needs and empowering them to adopt sustainable practices and improve their livelihoods. In this way, we help to strengthen communities by investing directly in education and capacity building to expand access to employment, boost local economies and raise awareness of protecting the local environment.

Our wider contribution UN Sustainable Development Goals



IFC Performance Standards



Sustainable livelihoods

Smallholder farmers are an essential component of global food and agriculture supply chains. However, they often live in small rural communities with limited access to education, knowledge, skills and resources necessary to enhance productivity and improve their livelihoods.

Although smallholders still represent a minority of COFCO International's supply, we are fully committed to enabling and empowering these farmers to adopt sustainable practices. We achieve this through working with diverse stakeholders, including government agencies, farming co-operatives and civil society organisations, to help enhance farmers' knowledge and skills and expand capacity while also improving supply chains resilience.

Our **Responsible Land Acquisition and Leasing Policy** guides our efforts in respecting both the legal and customary land rights of local communities and indigenous peoples. Through our **Stakeholder Engagement Policy**, we commit to identify and engage interested and affected stakeholders to understand their perspectives and expectations, with special attention to vulnerable groups.

Expanding skills in rural communities

COFCO International offers free courses to communities where it operates, in partnership with the Federation of Agriculture and Livestock of the State of São Paulo (FAESP), the National Rural Learning Service (SENAR) and rural unions. The aims are to expand training and enable local people to gain agricultural skills, thereby helping them to find employment and improve their incomes. COFCO International understands that by supporting these courses, we are also helping to meet our own needs for skilled labour, as well as those of the whole sector. In 2021, more than 700 participants took part in various such training courses covering topics like the safe operation of sugarcane harvesters and the tractor maintenance and operation.

Social Fuel Stamp programme

In 2021, COFCO International purchased 460,000 tonnes of soybean, an increase of more than 30% from 2020, from 31 cooperatives under the Social Fuel Stamp programme. This benefited more than 53,000 smallholders, enabling them to adopt more sustainable practices.



Partnering towards a more sustainable world

COFCO International has worked with the 'As Valquírias' and 'Raiz Nova' institutes to develop AgroValquírias, an agroforestry project that seeks to create environmental, economic and social benefits for the local community. This connects three important topics for COFCO International: food, diversity and

education. The project takes place close to our sugar operations, with some of our Sustainability Ambassadors taking an active role in its execution. During the first phase of the project, in 2021, we donated 50 seedlings of native trees to the project, in addition to financially supporting its progress.



Case study

Helping to feed local communities

To help improve smallholder livelihoods we helped install a community garden in Standerton, South Africa. The team at our Standerton oil mills identified the space in a nearby community, which was used to feed those who could not afford to buy their own food. COFCO International contributed with

the acquisition and donation of a greenhouse, fruit trees, seedlings, and vegetables, as well as a 10,000-litre water tank to allow farmers to overcome supply challenges. Some 200 people, including community members, took part in the project, with volunteers coming together to build the greenhouse, germinate seedlings, and plant the fruit trees and vegetables.



Community investment

Building strong relationships with the communities where we live and work is central to COFCO International's continued success, while also maintaining trust from our stakeholders, as well as our social licence to operate.

Given the impact of Covid-19 on people in our sourcing countries, our work to support local communities was more important than ever in 2021. We expanded our efforts to prevent our operations from impacting local people, working with communities to identify risks and develop stakeholder engagement plans for every high-risk site. These plans help us to monitor performance and take action, as appropriate.

We focus on education and capacity building, community wellbeing and environmental stewardship. Our Community Investment Policy sets out a common and coherent approach for the activities conducted by COFCO International and our affiliated companies.

In 2021, our community programmes benefited over 36,000 people globally, with a significant 20% increase due to the efforts of our global Sustainability Ambassador Network and our employees' participation in Action for Impact activities.



Case study



Supporting local communities

Since 2017, COFCO International has donated electricity to the Hospital de Amor from Jales and Fernandópolis, cancer hospitals close to our sugar mills in Brazil that provide free care to the entire population. In 2021, the donation amounted to over 3,500 MWh of electricity.

We also helped local communities amid the Covid-19 pandemic through the donation of medical appliances and products. We provided in-kind food donations for underprivileged people in countries including Argentina, Brazil, Egypt, Paraguay, South Africa, Turkey, Ukraine, Uruguay, and the USA. Additionally, COFCO International supported local schools in Argentina and South Africa, and provided university scholarships for outstanding low-income students in Paraguay.

A taste of the 2021 Impact Season activities

1. Food donation in Stellenbosch (South Africa)
2. Renewable electricity sourcing in Geneva (Switzerland)
3. Water awareness campaign in Katuete (Paraguay)
4. Food donation in Stamford, CT (USA)
5. River beach cleaning day in Timbues (Argentina)
6. Rubbish truck donation in Talalaivka (Ukraine)
7. Tree-planting across Black Sea silos



Action for Impact

In 2021, our Sustainability Ambassador network expanded to 223 members in 21 countries, further engaging employees in creating positive change locally. To celebrate the first year of our Sustainability Ambassador network, we organised the Impact Season, a global event which spanned September and October. We invited all our employees to join local activities, which had a positive impact on our workplaces and lives, the environment and local communities, with a focus on SDGs 2

(zero hunger) and 12 (responsible consumption and production). This marked the launch of the Action for Impact brand, through which we aim to highlight positive actions by COFCO International employees and inspire more of our colleagues to get involved.

As a result of this global event, over 50 group activities took place, involving 466 employees. Four high-impact projects were selected to compete for additional funding to expand their activities in 2022.

Upholding standards

As a global company with strong values, we strive to uphold globally consistent standards and behaviours in order to ensure robust, transparent governance, manage risk and respond to stakeholder expectations. Our values and sustainability commitments sit at the heart of the way we do business. Importantly, we comply with all relevant laws and regulations to achieve product safety and quality.

Our wider contribution UN Sustainable Development Goals



IFC Performance Standards



Driven by our values

Our employees and partners are required to meet high standards of behaviour, defined by strict codes and policies.

This starts with our **Code of Conduct**, which sets out the ethical approach we take to doing business and guides our strategy. It encompasses our core values of integrity, inclusiveness, innovation and sustainability, and reflects the key principles of the UN Global Compact. Every new employee must undertake training on the Code and related policies (including anti-bribery and corruption, competition compliance and Integrity Hotline awareness). In 2021, we delivered 9,069 training sessions through our online training module, an increase of more than a third compared to 2020. This included a module reflecting our Anti-Bribery and Corruption Policy update on risks associated with public officials and third-party intermediaries to help employees deepen their knowledge of these topics, identify potential concerns and take appropriate action. Employees also undertook a new e-learning module on our Gifts and Entertainment Policy.

The Code also forms the basis of our **Supplier Code of Conduct**, which covers our social, environmental and ethical requirements for suppliers and business partners. In 2021, we implemented some comprehensive updates to the Supplier Code to help continuously raise standards in our supply chain.

Product quality and safety

Our **Food and Feed Safety Policy** informs our work to comply with all relevant laws and regulations on food and animal feed safety. In 2021, there were no food or feed incidents resulting in fines, penalties or warnings. We continued to uphold stringent virus control measures, and maintained and enhanced controls on various contaminants (such as Aflatoxins, Pesticides, Ochratoxin, botanicals, heavy metals and Salmonella).

We used advanced technology to further prevent risk, including a dedicated safety alert system and online Near Infrared Reflectance (NIR) technology to help conduct rapid, effective product quality tests. We also completed internal and external audits in line with globally respected standards such as ISO 17025, GMP+, ISO 22000, ISO 9001 and HACCP within our major industrial facilities. Importantly, we addressed any findings with definitive action to prevent any future risks. All employees at our facilities and related contractors undertook training on food and feed safety.

Finally, we fully implemented our digital monitoring and reporting tool, which delivers a real-time, consolidated global view of food and feed safety requirements, specifications, compliance, alerts and recalls. It will help to further ensure compliance and better manage and address potential risks. Covering more than 130,000 regulations in 140 countries, and over 175,000 substance limits in more than 60 markets, it has been introduced in Argentina, Brazil, India, South Africa, Ukraine and across our sugar trading operations.

Good governance and compliance

High standards of ethics and integrity underpin our efforts to succeed as a business with strong sustainability ambitions and continuously improve our performance.

Robust governance and adherence to international standards of corporate governance is therefore central to keeping our people and operations safe, creating a flourishing workplace and delivering sustainable growth. Our leaders and managers take responsibility for maintaining these standards and engaging our employees with our values. Importantly, we have zero tolerance for fraud, bribery and corruption. Our **Board of Directors** holds ultimate responsibility for leadership and good governance at COFCO International.

Sustainability governance

Responsibility for sustainability, including climate and nature-related topics, sits with our CEO and Chairman. Our Global Head of Sustainability oversees our sustainability strategy at an operational level and manages a dedicated team of professionals, reporting progress to our leaders. We also have a strong network of 223 Sustainability Ambassadors, employees who take responsibility for championing our ambitions locally.

Increasingly, the Board will seek to strengthen our approach to managing and reporting our climate and nature risks, opportunities and impacts, recognising the fundamental importance of climate resilience and healthy ecosystems to our business, and in support of the UN's SDGs. Importantly, these considerations will increasingly be at the heart of our governance processes and long-term plans.

To gain independent advice and guidance, we engage the specialist and expert ESG consultancy Sustainalytics to evaluate our approach to managing environmental, social and governance risks. This helps to keep improving our performance.



Integrity Hotline: Our global grievance mechanism

Open, honest communication is fundamental to ensuring ethical, fair and legally compliant behaviour. Our **Integrity Hotline** is a global grievance mechanism accessible to all employees and external stakeholders, enabling them to share any concerns regarding misconduct or non-compliant behaviour both confidentially and anonymously, without fear of reprisal. Based on best practice – as outlined in the UN Guiding Principles on Business and Human Rights – the Hotline is available in 13 languages, and accessible via a dedicated telephone number or secure digital channels. Our centralised Concerns Management Committee (CMC) is responsible for the impartial and effective investigation and resolution of any issues, and collaborates with relevant teams to provide remediation, as appropriate.

In 2021, to bring further consistency and strengthen our approach, we launched an internal procedure with guidelines to standardise the way cases are handled. In particular, we added an option to select the gender of the person who should review the case, to help increase trust in the Hotline as a mechanism for reporting discrimination and harassment issues.

We captured 146 new cases in 2021, reviewing every concern, undertaking appropriate investigations and actions, and closing 134 (or 92%) by the end of the year, with an average case closure rate of 61 days, well ahead of our internal target.

Poor behaviour and discrimination	93
Business conduct	26
Human resources policy violations	13
Environment, Health and Safety	14
Non-compliance with Supplier Code of Conduct	0
Total	146

Our partnerships

We collaborate with multiple stakeholders to help transform the food system and build climate resilience by conserving natural resources and promoting biodiversity.

In particular, we are partnering with our peers, industry working groups, multi-stakeholder organisations and NGOs to improve agricultural practices and raise standards in our supply chains, helping to create a positive impact on people and the environment.



Find out more in the full report:
www.cofcointernational.com/sustainability

Join the conversation

cofcointernational.com/sustainability



sustainability@cofcointernational.com

Global Headquarters

Route de Malagnou 101
1224 Chêne-Bougeries
Geneva, Switzerland

Tel: +41 22 528 6888

Got a concern? Report it

integrityhotline@cofcointernational.com
cofcointernational.com/integrity-hotline

