

# Supplier Code



## Introduction

**Upholding high standards of behaviour** and conducting business in an ethical, socially responsible and environmentally sustainable manner is integral to our continued success, and to achieving our purpose of transforming food, feed and fibre for a more sustainable future.

Building enduring partnerships with our suppliers is central to developing more sustainable and responsible agricultural supply chains that conserve nature and enable farming communities to prosper. Our Supplier Code sets out the standards and principles we expect our suppliers to uphold and outlines the relevant Policies and applicable laws.

This Code applies to suppliers of agricultural products including individual farmers and farmer groups, farming and processing enterprises, buying or collecting agents, and trading companies – that supply products to us directly or through intermediaries (Suppliers).

Our direct suppliers are expected to ensure their own suppliers are aware of, and comply with, the principles set out in this Code, as described in the Ensuring Compliance section.

For this Code, the terms 'worker' and 'employee' are used interchangeably and refer to permanent, temporary (seasonal, daily) labour, as well as workers contracted by a third-party and on a piece-rate basis.



## **Supplier Code**

The following sets out mandatory requirements as well as areas where we expect Suppliers to continuously improve their practices.

### Legal Compliance

Suppliers must comply with all relevant laws and regulations that govern their operations, including labour, social security, and environmental laws.

If the requirements of this Code differ from requirements set out in applicable local laws, suppliers must apply the higher standard.

#### **Ethical Business Practice**

Suppliers must not engage in unethical business practices, including bribery, corruption, fraud or abuse of power.

Suppliers must be open, honest, and accurate in their dealings with their own suppliers and with Olam Agri.

#### Record Keeping and Transparency

Suppliers must:

- keep accurate records of product movements, mixing and collection from product origin<sup>1</sup> until Olam Agri takes ownership/possession.
- segregate products in line with requirements as applicable.

#### **Child Labour**

Suppliers must strictly respect the following minimum wages for work and employment, or the minimum ages defined by the local law, whichever are higher.

- Individuals below 18 years of age may not perform hazardous work.
- Children under the age of 15, and children of compulsory school age must not be employed.
- Children between 13 and 15 years old may only perform light work on their family farm, under the supervision of an adult and under the condition that the work doesn't interfere with their schooling.
- Children under 13 years old aren't allowed to work.

#### **Forced Labour**

Suppliers must not use or benefit from the use of any form of forced labour, such as slave labour, trafficked individuals or labour bonded by a debt, nor must they use prisoners for labour.

Coercive practices, including withholding of wages, identity documents (IDs), threats, violence or restricting of freedom are prohibited.

Employees must not be required to pay for their employment.

<sup>&</sup>lt;sup>1</sup>Product origin shall be defined by Olam Agri and can mean producing region, farmer group or individual farmer.

#### Respect & Non-discrimination

Suppliers must ensure that no person is treated unequally based on race, colour, gender, religion, age, ability, sexual orientation, nationality, ethnic origin, social status, political views, religion, family obligations or membership in associations.

- Non-discrimination applies to all employment practices, including hiring, compensation, advancement, discipline, and termination. In farmer groups, there must not be any discrimination about access to membership, leadership positions and to services.
- No one shall be subject to violence or physical, sexual, verbal, or psychological harassment.
- Every person's privacy must be protected from interference.
- Rights to practice culture and religion must be respected.
- Disciplinary measures must be fair and never involve humiliating practices or withholding or unjustified deduction of wages.
- Suppliers must strive to make reasonable adjustments to working conditions, hours, and facilities to accommodate the diverse needs of individuals.

#### Terms of Employment

Suppliers must ensure that terms of employment are compliant with the law, respect the rights of workers, are fully understood, and freely agreed to by workers and adhered to by their employer.

#### **Working Hours**

Suppliers shall respect limits to working hours or the legal maximum working hours, whichever is more stringent.

- A normal working shift must not exceed 12 hours.
- Regular breaks during the day must be provided, including adequate breaks for meals.
- A regular work week must not exceed 48 hours.
- Workers must be allowed at least 24 hours (consecutive) of rest in every seven-day period.
- All overtime work must be consensual, and overtime must not be requested on a regular basis. It must be compensated at a higher rate.
- Other than in exceptional circumstances<sup>2</sup>, the sum of regular and overtime hours in a week must not exceed 60 hours.



<sup>&</sup>lt;sup>2</sup> Peak production periods cannot be counted as exceptional circumstances.

#### **Wages & Benefits**

- Suppliers must pay their employees no less than the minimum wage established by the law or by a competent authority for this type of work in the locality, whichever is higher.
- Wages and overtime compensations must be paid in full, on time and at least monthly.
- Recognising workers' right to fair pay, suppliers
  must progressively offer compensation for a regular
  working week that's sufficient to meet workers' basic
  needs and provide some discretionary income.

#### Health & Safety

Suppliers must ensure that terms of employment are compliant with the law. Suppliers must:

- ensure that work is performed in a safe way using appropriate tools and practices, and that all workers are provided with adequate safety training and personal protective equipment at no cost to them.
- strive to prevent accidents and injuries and have measures in place to manage health and safety events, and ensure workers have access to emergency medical services.
- ensure that working and living conditions are safe, provide adequate light, ventilation, temperature, shelter and access to water and sanitation.

## Freedom of Association & the Right to Collective Bargaining

Suppliers must recognise and respect the right of employees – as well as farmer group members – to form, join or refrain from joining, representative associations of their choice, and to bargain collectively with their employer and farmer group leaders on work-related topics.

Agreements reached from collective bargaining must be enforceable.

#### **Local Communities & Land Rights**

Suppliers must:

- respect the customary, legal land tenure and access rights of indigenous peoples and local communities to natural resources.
- maintain open dialogue with local communities regarding the impacts of supplier operations and strive to minimise these impacts.

 obtain the free, prior, and informed consent of local communities in relation to any project or development that may affect their legal or traditional ownership, or customary use, of their land or territories and other resources.

Suppliers must not participate in, or benefit from, forced evictions and must ensure that displaced communities receive adequate and mutually agreed compensation.

#### **Grievance Mechanisms**

Suppliers must ensure that terms of employment are compliant with the law. Suppliers must establish a process to receive, review and investigate complaints coming from employees, farmer group members and local communities, and take corrective actions as appropriate.

Employees, farmer group members and members of affected communities must be aware of the process and of their right to express concerns and complaints without threat of reprisal or intimidation.



#### Forests & Ecosystem Conservation

Suppliers must not source products resulting from the destruction of important natural habitats, including:

- · legally protected areas.
- areas of high conservation value, that are recognised locally, nationally, or internationally.
- important natural ecosystems, including forests and peatlands which have high carbon stocks.

#### **Biodiversity**

Suppliers and employees must preserve nationally protected species, and vulnerable, endangered, and critically endangered species as defined by the UN Red List of Threatened Species. They must adopt suitable practices to protect these species, their habitats, and important sites on and around farms.

Suppliers must avoid introducing invasive and alien species and adopt suitable practices to control them.

#### Use of Fire

Suppliers must not use nor allow the use of fire in land preparation including planting and replanting, other than in exceptional circumstances to be agreed with Olam Agri.

#### Soil Management

Suppliers must adopt suitable practices to avoid and combat soil degradation and erosion. Fertiliser application practices must consider crop type and soil health.

#### Safe & Responsible Use of Chemicals<sup>3</sup>

Suppliers shall ensure safe storage, handling, application, and disposal of agro-chemicals, including pesticides and fertiliser.

Banned agro-chemicals<sup>4</sup>, as well as agro-chemicals with unclear composition and those which are not properly labelled must not be used. Suppliers shall strive to reduce the amounts of agro-chemicals used.

#### **Animal Welfare**

Suppliers involved in animal-rearing, or using working animals, must ensure humane treatment of animals and, at a minimum, provide them with regular and adequate food and water, necessary rest, shelter, medical treatment, and spare them from mental suffering and distress.



<sup>&</sup>lt;sup>3</sup>Not applicable to production of certified bio and organic products.

<sup>&</sup>lt;sup>4</sup>Class Ia and Ib chemicals in the WHO Recommended Classification of Pesticides by Hazard, chemicals banned by Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, and the Stockholm Convention on Persistent Organic Pollutants.

#### **Protection of Water Sources**

Suppliers must avoid contamination or pollution of surface and groundwater sources in and around farms and factories, respecting minimum distances from water sources and preserving buffer zones of natural vegetation.

Wastewater must undergo appropriate treatment to minimise the load of contaminants.

In water-stressed areas, Suppliers must adopt suitable practices to use water sources efficiently.

#### Waste Management

Suppliers must ensure that waste collection, storage and disposal are properly organised, and that hazardous waste is treated and disposed of in a safe way.

They must strive to reduce, compact, reuse and recycle waste, including composting of the organic waste.

#### **Energy Efficiency**

Suppliers must strive to use fuel and electricity efficiently, and to use renewable energy sources. They must monitor energy use in production and processing.



#### **Ensuring Compliance to the Code**

Suppliers must communicate the requirements of the Code to their employees and ensure their compliance.

Farmer groups must communicate the requirements of the Code to their members and ensure their compliance.

Suppliers to Olam Agri must:

- communicate the requirements of the Code to their suppliers, up to the product origin.
- ensure that they procure goods only from suppliers that respect the Code.
- inform Olam Agri if their suppliers experience challenges applying the principles of the Code.
- work with non-compliant suppliers to develop, implement, and monitor action plans to resolve challenges.

Suppliers may be requested to provide evidence of compliance. We reserve the right to conduct audits and inspections to verify compliance with the Code up to the product's origin.

If a supplier is consistently found to be non-compliant, and does not demonstrate adequate effort to improve compliance, we reserve the right to suspend procurement of products coming from this supplier.

#### **Product or Country-Specific Requirements**

Where specific additional requirements are made for the supply chain, we shall specify those requirements in an addendum to the Code. These requirements shall not contradict the requirements of the Code.

## **Supplier Declaration**

Please complete the fields below and return to your Olam Agri representative.

I confirm that I fully understand the requirements of the Olam Agri Supplier Code, and the farmer group and its members/the Company, its subsidiaries, and employees (strike through as applicable) that I represent, shall comply with the principles laid out in the Code. I will ensure that any upstream supplier whose produce or derivatives I sell to Olam Agri respects the code.

Supplier name	
Supplier ID with Olam Agri (if applicable)	
Title	
Name of authorised representative	
Signature	
Date	
Olam Agri business	
Name of authorised representative	
Title	
Signature	
Date	



#### Learn More



(#) olamagri.com

#### Follow Us



in olam-agri



**OlamAgri\_** 

#### Olam Agri

7 Straits View, Marina One East, Tower #20-01, Singapore 018936

T +65 6339 4100