



SFI Health is dedicated to ensuring sustainable operations across our supply chain. We value collaborative partnerships with our strategic suppliers and conduct regular assessments and evaluations to ensure compliance and continuous improvement in our supply chain operations. Below is our Supplier Code of Conduct, which outlines the standards against which our suppliers are assessed and asked to comply with.

### 1. Environmental Responsibility:

- Compliance with all applicable environmental laws, regulations, and standards.
- Implementation of measures to minimise environmental impacts, including carbon emissions, waste generation, and pollution.
- Conservation of natural resources, such as water and energy, and adoption of sustainable practices.

### 2. Non-Discrimination and Equal Opportunities:

- Suppliers must not discriminate based on race, colour, ethnicity, gender, sexual orientation, religion, disability, or any other protected characteristic.
- Suppliers should provide equal opportunities for employment and avoid any form of discriminatory practices.

### 3. Freedom of Association and Collective Bargaining:

- Suppliers should recognize the freedom of employees to form or join trade unions or labour associations.
- Suppliers should respect the rights of employees to engage in collective bargaining and maintain open and transparent communication channels with employee representatives.

### 4. Fair Treatment, Labor Standards and Working Conditions:

- Suppliers must comply with all applicable labour laws and regulations, including working hours and breaks.
- Suppliers should provide safe and healthy working conditions for their employees, ensuring compliance with safety regulations and promoting a culture of occupational health and safety.



- Suppliers must treat all employees with dignity and respect, prohibiting any form of harassment, abuse, or discrimination.
- Policies and procedures should be in place to address complaints or grievances raised by employees and ensure their timely resolution.

#### **5. Child Labor and Forced Labor:**

- Suppliers must prohibit the use of child labour, defined as the employment of individuals below the legal minimum working age, and support the eradication of child labour in their operations and supply chains.
- Suppliers must not engage in or support any form of forced or compulsory labour, including debt bondage, human trafficking, or involuntary servitude.

#### **6. Fair Remuneration and Benefits:**

- Suppliers should provide fair compensation and benefits to their employees, meeting or exceeding legal requirements, industry standards, and prevailing market rates.
- Suppliers must comply with all applicable labour laws and regulations, including those related to minimum wage, overtime compensation, and leave entitlements.
- Suppliers must ensure transparency in wage calculations and payment practices, as legally required.

#### **7. Ethical Recruitment and Migrant Worker Rights:**

- a) Suppliers must ensure ethical recruitment practices, including transparent contracts, fair wages, and reasonable fees for migrant workers.
- b) Migrant workers should be provided with appropriate living conditions and access to necessary support services.

#### **8. Health & Safety:**

- a) Regulatory Compliance:
  - Suppliers must comply with all applicable health and safety laws, regulations, and standards in their operations.
  - Compliance includes maintaining up-to-date licenses, permits, and certifications as required by local authorities.
- b) Risk Assessment and Management:
  - Suppliers are required to conduct regular risk assessments to identify potential health and safety hazards within their facilities and operations.
  - Adequate risk management measures should be implemented to prevent accidents, injuries, and occupational illnesses.

c) Safe Working Environment:

- Suppliers must provide a safe and healthy working environment for all employees, contractors, and visitors.
- Adequate measures should be implemented to identify and mitigate workplace hazards, including ergonomic, chemical, physical, and biological risks.
- Employees should be provided with necessary personal protective equipment (PPE) and receive appropriate training on safety protocols.

d) Training and Awareness:

- Suppliers are responsible for providing appropriate and ongoing health and safety training to their employees.
- Employees should be educated on potential hazards, safe work practices, emergency procedures, and the proper use of personal protective equipment (PPE).

e) Incident Reporting and Investigation:

- Suppliers must have procedures in place to promptly report and investigate any incidents, accidents, or near misses.
- Lessons learned from incidents should be used to improve health and safety practices and prevent future occurrences.

f) Emergency Preparedness and Response:

- Suppliers should have systems and protocols in place to effectively respond to emergencies, including fires, natural disasters, or medical emergencies.
- Emergency response plans, evacuation procedures, and appropriate safety equipment should be available and regularly reviewed.

g) Monitoring and Continuous Improvement:

- Suppliers are expected to establish mechanisms for regularly monitoring, reviewing, and improving health and safety performance.
- Performance indicators and goals should be set, and progress should be tracked towards achieving these objectives.

## 9. Ethical Business Practices:

- Suppliers must conduct business with integrity, honesty, and transparency.
- Suppliers must prohibit bribery, corruption, and unethical practices.
- Suppliers must protect intellectual property rights and confidential information.

## 10. Anti-Corruption and Conflict of Interest

a) Compliance with Laws:

- Suppliers must comply with all applicable anti-corruption laws, regulations, and international conventions in all jurisdictions they operate in.

- Bribery, kickbacks, facilitation payments, and any other form of corrupt practices are strictly prohibited.

b) Conflict of Interest:

- Suppliers must promptly disclose any actual or potential conflicts of interest that could compromise the impartiality or integrity of their services.

- Suppliers should take measures to prevent conflicts of interest.

c) Gifts, Entertainment, and Hospitality:

- No supplier or its employees should offer, provide, or accept gifts, entertainment, or hospitality that could compromise or be perceived to compromise ethical business conduct or relationships.

- Any gifts, entertainment, or hospitality provided or received should be modest, occasional, and in compliance with applicable laws and regulations.

d) Financial Transparency and Accuracy:

- Suppliers should maintain accurate records and financial statements that reflect the true nature of transactions and activities.

- Falsification, misrepresentation, or omission of financial information is strictly prohibited.

e) Whistleblower Protection:

- Suppliers must establish mechanisms for employees and other stakeholders to report concerns or potential violations anonymously and without fear of retaliation.

- Suppliers should promptly and impartially investigate reported concerns and take appropriate action to address any wrongdoing.

f) Transparent Business Practices:

- Suppliers must maintain transparency and provide accurate information in all business transactions, including pricing, invoicing, and contracts.

- Disclosure of accurate and complete information, including ownership structures, subcontractor relationships, and conflicts of interest, is expected, as legally required.

g) Due Diligence:

- Suppliers must conduct due diligence on their employees, subcontractors, and business partners to avoid engaging with individuals or organisations involved in corrupt practices or illegal activities.

## 11. Anti-competitiveness:

a) Compliance with Competition Laws:

- Suppliers must comply with all applicable competition laws and regulations in the jurisdictions they operate in.

- Anti-competitive practices such as price-fixing, bid-rigging, market division, and collusion are strictly prohibited.

b) Fair and Independent Pricing:

- Suppliers should independently determine their prices, discounts, and terms of sale without engaging in discussions or agreements with competitors to manipulate prices or restrict competition.
- Suppliers should not engage in predatory pricing or abuse their market power to eliminate or restrict competition.

c) Non-Disclosure of Competitively Sensitive Information:

- Suppliers must not disclose or exchange competitively sensitive information with competitors or engage in discussions that may harm competition.
- Confidential business information, pricing strategies, customer data, and other proprietary information should be protected and not used to gain unfair competitive advantages.

d) Transparent and Non-Discriminatory Practices:

- Suppliers should strive to maintain transparent and non-discriminatory business practices.
- Unfair or discriminatory practices that impede fair competition, such as exclusive dealing, tying arrangements, or abuse of intellectual property rights, should be avoided.

e) Prohibition of Cartels and Collusion:

- Suppliers must not engage in or support cartel activities or collude with competitors to restrict competition, allocate markets, or manipulate bidding processes.
- Any agreements or arrangements that hinder fair competition, including price-fixing or market allocation, are strictly prohibited.

f) Fair and Open Bidding Processes:

- Suppliers should participate in bidding processes in a fair and transparent manner, adhering to competitive principles.
- Bids must be based on accurate and complete information, free from collusion or attempts to manipulate the process.

g) Compliance Reporting and Training:

- Suppliers are encouraged to establish internal reporting mechanisms to address any potential anti-competitive behaviour or concerns.
- Suppliers are encouraged to provide regular training on competition law compliance.

## 12. Supply Chain Transparency:

- Suppliers must disclose of relevant information regarding the origin, production processes, and materials used in supplied products or services.

- Suppliers should endeavour to have supply chain traceability and responsible sourcing in place to ensure compliance with ESG principles.
- Suppliers must promote diversity, inclusion, and equal opportunities for all employees.

### 13. Social and Community Engagement:

- Suppliers must respect the rights, traditions, and cultures of local communities.
- Suppliers are encouraged to actively engage with local communities to address social and environmental concerns and promote sustainable development.
- Suppliers are encouraged to collaborate with stakeholders to contribute positively to social and economic development.

### 14. Environment:

#### a) Compliance with Environmental Laws and Regulations:

- Suppliers must comply with all applicable environmental laws, regulations, and permits in their operations and supply chain activities.
- Regular monitoring and reporting should be conducted to ensure compliance and to identify areas for improvement.

#### b) Resource Conservation and Efficiency:

- Suppliers are encouraged to adopt practices that minimise resource consumption and waste generation.
- Efforts should be made to conserve energy, water, and other natural resources, and to implement efficient technologies and processes.

#### c) Pollution Prevention and Waste Management:

- Suppliers must implement measures to prevent pollution, including air, water, and soil pollution.
- Hazardous substances should be appropriately managed and handled in compliance with relevant regulations.
- Suppliers should minimise waste generation and promote recycling, reuse, and responsible disposal practices.

#### d) Climate Change Mitigation:

- Suppliers should aim to reduce greenhouse gas emissions from their operations, products, and services.
- This includes adopting energy-efficient technologies, renewable energy sources, and practices that minimise carbon footprint.

#### e) Sustainable Sourcing and Supply Chain:

- Suppliers should promote responsible sourcing practices, including the use of sustainably and ethically sourced materials and components.

- Suppliers should endeavour to identify and mitigate any environmental risks associated with their supply chain.

f) Sustainable Packaging and Materials

- Suppliers should strive to minimise the environmental impact of packaging materials, promoting materials that are reusable, recyclable, efficient to transport or made from sustainable sources.
- Suppliers should give consideration to using non-virgin packaging materials.
- Consideration should be given to reducing packaging waste.

g) Protection of Biodiversity:

- Suppliers must respect and conserve biodiversity by avoiding harm to ecosystems, habitats, and species diversity in their operations and supply chains.
- Suppliers should seek to minimise their impact on biodiversity, including by avoiding activities that lead to habitat destruction or fragmentation.

h) No Deforestation:

- Suppliers must commit to a strict no-deforestation policy, which includes not engaging in any activities that lead to the conversion of natural forests to other land uses.
- Suppliers should identify and eliminate any direct or indirect sources of deforestation within their supply chains, including the sourcing of commodities linked to deforestation.
- Suppliers must commit to a strict No Deforestation, No Peat, No Exploitation (NDPE) policy that prohibits the clearing of high conservation value (HCV) areas, primary forests, and peatlands for palm oil cultivation.

i) Sustainable Land Use:

- Suppliers should promote sustainable land use practices, including the protection of natural and high-conservation value areas.
- Land degradation and conversion should be avoided, and efforts should be made to restore degraded lands and rehabilitate affected ecosystems.
- Suppliers must adopt responsible land use practices, ensuring that palm oil plantations do not encroach on protected areas, indigenous lands, or HCV areas.

j) Traceability and Transparency:

- Suppliers should establish and maintain systems to track and trace the origin of their products and raw materials, ensuring their compliance with no-deforestation and land conservation requirements.
- Transparent reporting on the origin of commodities, including their impact on forests and biodiversity, should be provided.
- Suppliers should establish traceability systems and provide accurate information on the origin and legality of their palm oil products. Transparent

reporting should be maintained, including disclosure of supply chain actors, associated mills, and plantations, to ensure accountability.

k) Environmental improvement:

- Suppliers should maintain transparent environmental reporting practices, providing accurate and timely information on their environmental performance and improvement efforts.
- Suppliers are encouraged to collaborate with SFI Health and other stakeholders to promote environmental best practices, share knowledge, and drive innovation in sustainable solutions.

#### **15. Continuous Improvement:**

- Suppliers must commit to ongoing improvement of ESG performance and compliance.
- Suppliers should endeavour to put in place regular monitoring, assessment, and reporting of ESG practices, including setting and achieving targets and goals.
- Suppliers should be willing to undertake audits or assessments to ensure ongoing improvements and compliance with this Supplier Code of Conduct.