

## 1. Preface

Set up at the initiative of farmers to offer sustainable markets for the oils and proteins sectors, AVRIL has been developing for more than 30 years in France and internationally in sectors as diverse as human foods, animal feeds, and renewable energies and chemistry. AVRIL has become a major industrial and finance group with a portfolio of strong brands that are leaders in their markets: Diester, Sanders, Oleon, Lesieur, Puget, Matines, Bunica, etc.

Since its creation, the Group has changed in size but its purpose has remained the same: *to create sustainable value in the vegetable oils and proteins sector while contributing to better foods for humans and preservation of the planet.*

To fulfil its mission, AVRIL draws strength from its sustainable development strategy which has been structured gradually around major commitments and specific objectives, under the logic of continuous improvement. This strategy also stretches out to the relations with contractors, service providers, and suppliers, in all purchase categories worldwide (referred to below as the “**Suppliers**”).

The AVRIL Group aims to work together exclusively with those Suppliers that uphold the same standards and principles as the Group with regards to sustainable development, its social ethics and at the minimum with those standards and principles as set forth in this Supplier Code of Conduct.

The AVRIL Group especially expects its Suppliers to comply with the international and/or national laws and regulations that govern their activities and with the principles stipulated in key international standards, notably:

- The Conventions of the International Labor Organization (ILO);
- The Universal Declaration of Human Rights;
- The guiding principles of the Organisation for Economic Co-operation and Development OECD;
- The principles of the United Nations Global Compact, to which AVRIL has formally pledged support<sup>1</sup>.

The AVRIL Group also expects its Suppliers to ensure that their own Suppliers comply with this Supplier Code of Conduct.

For the AVRIL Group, this Supplier Code of Conduct provides a means to develop relationships with its Suppliers (both current and future) that are based on mutual trust and respect, and to share responsible practices.

## 2. Respect for Human Rights

Suppliers must support and respect the protection of internationally proclaimed Human Rights and must make sure not to be complicit in the abuse of Human Rights. Suppliers will treat all individuals with respect and will observe the Human Rights. The AVRIL Group

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<sup>1</sup> <https://www.unglobalcompact.org/what-is-gc/participants/115831>

encourages its Suppliers to develop training and enhance their employees' knowledge on human rights and other social issues.

### **3. Compliance with social practices relative to working conditions**

Suppliers must undertake to comply with the applicable national laws and conventional provisions described below.

#### **Voluntary employment – No forced or compulsory labor**

Suppliers must undertake not to use any forced or compulsory labor as defined in ILO Conventions C29 and C105 as: “all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily”.

#### **No child labor**

Suppliers must undertake to apply the provisions relative to eliminating child labor and the protection of children and adolescents as defined by the ILO conventions C138 and C182, except if a higher age is explicitly specified by local law; and to have special protection for individuals under 18 years of age.

#### **No abuse or harassment**

Suppliers must undertake to treat all their employees with respect and to comply with all local legislation on disciplinary practices. In particular, Suppliers must undertake not to engage in physical, mental, verbal or any other abuse, inhumane or degrading treatment or any form of harassment.

#### **Compliance with the principle of non-discrimination**

In accordance with ILO Conventions C100 and C111, Suppliers must undertake not to exercise “any distinction, exclusion or preference made on the basis of race, color, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment”, and guarantee equal remuneration for work of equal value.

Suppliers must also undertake to comply with local laws concerning the employment of disabled people.

Finally, they must undertake to make every effort concerning the promotion of equal opportunity and the occupational integration of people who are experiencing difficulties in finding employment.

#### **Compliance with the laws applicable to wages and working times**

Suppliers must undertake to comply with local laws relative to the minimum wage, and to pay wages to their employees on a regular basis. Suppliers must undertake to remunerate overtime in accordance with the tariffs defined by local applicable laws.

Suppliers must undertake to comply with national laws and, in any event, respect international regulations on working times fixed by the International Labor Office for their area of activity. Furthermore, they must ensure that their employees benefit from sufficient rest periods.

### **No use of concealed work**

Suppliers must undertake not to make use of any concealed work and to fulfil their obligations regarding declarations to the administrative, social and tax authorities, as stipulated by the regulations in the countries where they are active.

### **Compliance with labor legislation and the freedom of association**

Suppliers must undertake to comply with the principles of the freedom of association, the protection of labor legislation and collective bargaining embodied by ILO Conventions C87 and C98, while respecting local laws. They must ensure that their employees can freely form and join trade unions, bargain collectively and have the right to freely express their opinions, within their company, on issues relative to their working conditions.

### **Career management**

The AVRIL Group encourages its Suppliers to attract, retain, inspire and develop employees whose aptitude and aspirations are in line with the organizational needs and future goals of their company.

## **4. Health and Safety**

Suppliers must take all necessary measures to ensure health and safety at work. In particular, and as a minimum, Suppliers must comply with all applicable laws and regulations pertaining to the health and safety of their employees in the workplace.

In addition, the AVRIL Group has developed a safety culture that involves all its employees and Suppliers. Thus, at all its sites, the Group is targeting an occupational accident rate that will steadily fall, in order to achieve a zero accident rate. For this reason, to enable calculation of this accident rate, Suppliers must report to the AVRIL Group's purchasing entity<sup>2</sup> (i) each occupational accident (with or without absence from work) that took place on a site of the purchasing entity, during work carried out by them and/or their subcontractors; and (ii) at least once a year the results of their accident frequency rate (accidents with and without lost time but with medical treatment, calculated for 1 million worked hours). This undertaking constitutes an essential obligation regarding the business relationship between the AVRIL Group and its Suppliers. Furthermore, if they are working on a Group site, Suppliers must ensure that their employees comply strictly with applicable health and safety regulations and rules

Suppliers shall give safety information relating to hazardous products and materials they provide to the AVRIL Group's purchasing entity in order to educate users on the sites of the AVRIL Group's purchasing entity and prevent risks.

In addition, the AVRIL Group encourages its Suppliers to adopt a proactive approach to health and safety issues by introducing a policy on the prevention and management of risks with respect to health and safety that might affect their own activities (analysis of the causes and factors that trigger accidents and the implementation of corrective actions). In this context, Suppliers are asked to inform the AVRIL Group's purchasing entity of any potential risks linked to their goods, products or services.

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<sup>2</sup> "AVRIL Group's purchasing entity" means the entity with whom the Supplier has entered into a contractual agreement.

## 5. Ethical business practices

The AVRIL Group values its reputation for ethical behavior, and for financial probity and reliability. The AVRIL Group has a Code of Ethics and Business Conduct which sets out the guiding principles of the Group in all its operations and business practices.

In this context, Suppliers must conduct their business in accordance with the highest standards of ethical behavior and in accordance with all applicable laws and regulations.

### Fair competition

Compliance with strict legal and ethical standards in commercial operations is of the highest importance to the AVRIL Group. As such, the AVRIL Group selects and treats its various Suppliers fairly by supporting the principle of fair competition, without discrimination.

The AVRIL Group intends to strictly comply with laws and regulations on competition in force in the countries where it does business. As a general rule, these forbid arrangements that are likely to restrain or distort competition or trade.

Likewise, Suppliers must conduct its business in line with fair competition and fair business practices, including accurate and truthful advertising, in compliance with all applicable legal and ethical standards. Suppliers must especially undertake to comply with all applicable competition laws and regulations. Among others, the following are prohibited: price-fixing and/or market allocations.

### Anti-corruption and anti-bribery

Suppliers must undertake to comply with all applicable laws and regulations concerning anti-corruption and anti-bribery, including but not limited to the French “Sapin II” law, the U.S. Foreign Corrupt Practices Act and the UK Bribery Act. Even in case no such local laws exist, corruption and bribery are expressly forbidden.

Suppliers will not engage in or tolerate any form of corruption, bribery, extortion, theft, embezzlement or fraud.

### Data protection, Intellectual property and Confidentiality

Suppliers must undertake to comply with all applicable laws concerning data protection and intellectual property rights. Suppliers must use AVRIL Group’s data, intellectual property, trade information and confidential information only in a manner that is permitted under their contracts with the AVRIL Group’s purchasing entity. At a minimum, Suppliers shall protect such information with a reasonable degree of care.

Suppliers shall respect intellectual property rights and shall not violate or infringe on any intellectual property rights in supplying to the AVRIL Group.

Furthermore, Suppliers shall ensure that all confidential information or trade secrets are held in the strictest confidence and are not improperly used or disclosed.

### Conflict of interest

Suppliers shall undertake to avoid any situation or relationship that may involve an inappropriate conflict or the appearance of a conflict with the interests of the AVRIL Group. Suppliers shall disclose to the AVRIL Group if any AVRIL employee or family member from AVRIL employee may have an interest of any kind in Supplier’s business or any kind of economic ties with Supplier.

### **Local socio-economic development**

Suppliers are encouraged to contribute to social and economic development of the communities in which they operate. In particular, AVRIL Suppliers should implement, in their own purchasing policies, procedures which favor local suppliers wherever possible and reasonable.

### **Responsible sourcing of minerals**

If applicable to their business sector, Suppliers shall undertake not to use any conflict minerals (for example: tantalum, tin, gold, tungsten, or their derivatives) in materials supplied to the AVRIL Group<sup>3</sup>.

## **6. Protection of the environment**

Suppliers must make every effort to carry out their activities in a way that reduces their environmental impacts. Each Supplier must introduce as many virtuous initiatives as possible with respect to protecting the environment (regarding both its products and its management system).

### **Compliance with the regulations**

As a minimum, Suppliers must undertake to comply with all applicable environmental laws and regulations in the countries where they carry out their activities, and with the laws applicable in their countries of destination. In particular, Suppliers must possess all certificates, environmental permits and/or authorizations that are required by law in order to operate their sites.

### **Environmental management system**

Under the logic of continuous improvement, Suppliers must endeavor to implement an environmental management system in order to control the effects of their activities on the environment. The AVRIL Group favors Suppliers that are certified by a recognized environmental management system (ex: ISO 14001, EMAS or other equivalent standards).

### **Reducing environmental impacts**

Suppliers should integrate criteria on respect for the environment in their purchases of products and services, and during the design, production and implementation of their own products and services. This notably concerns the search for solutions designed to:

- Optimize energy consumption and contribute to reducing greenhouse gas emissions;
- Optimize the consumption of natural resources;
- Reduce the amount of waste generated and implement solutions for recycling and re-use;
- Reduce the discharge of pollutants into the natural environment (such as water, air, soil), and other types of environmental damage.

The search for above-mentioned solutions should be based on Life Cycle Assessment (LCA) of the raw materials and products delivered to the AVRIL Group.

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<sup>3</sup>“Conflict Minerals” is the term used to describe certain minerals that are sourced from mines under the control of violent forces in particular in the Democratic Republic of Congo or the surrounding countries. <http://ec.europa.eu/trade/policy/in-focus/conflict-minerals-regulation/regulation-explained/>

## **Preservation of biodiversity**

Biodiversity refers to the variety of life on earth, including diversity of ecosystems, genes and species.

The AVRIL Group recognizes the importance of conserving biodiversity and believes it is an important shared responsibility. The AVRIL Group supports the objectives of the United Nations Convention on Biological Diversity (CBD), which promotes conservation and sustainable use of biodiversity and its components. The AVRIL Group also supports the principles of the Nagoya Protocol, which seeks to promote the fair and equitable sharing of the benefits arising from the utilization of biological resources.

Within the frame of its operations and Research & Development activities, the AVRIL Group may use compounds derived from natural resources and which involve genetic resources falling under the scope of CBD. Such compounds are obtained via Suppliers.

Suppliers shall, as far as possible, avoid or minimize adverse impacts on biological diversity. Suppliers shall take measures to prove that said compounds provided to the AVRIL Group have been accessed in accordance with CBD and Nagoya protocol, including obtaining prior informed consent to access genetic resources and seeking to establish mutually agreed terms for access.

In any case, Suppliers shall comply with applicable legislations on biodiversity.

## **7. Changes to the Supplier Code of Conduct**

The AVRIL Group reserves the right to update or alter the content of the Supplier Code of Conduct at any time. Unless Suppliers reject such updates or alterations in writing, they are deemed to have been accepted and Suppliers shall act accordingly.

## **8. Implementation of the Supplier Code of Conduct**

The provisions of this Supplier Code of Conduct set a standard that should be met by all Suppliers and are essential for the business relationship between the AVRIL Group and its Suppliers. Suppliers shall also ensure that their own Suppliers operate in compliance with this Supplier Code of Conduct.

The Supplier Code of Conduct forms an integral part of the documentation distributed by the AVRIL Group during its tenders. It also forms part of the contractual provisions signed and/or applicable between the AVRIL Group's purchasing entity and its Suppliers.

In order to measure compliance with this Supplier Code of Conduct, the AVRIL Group's purchasing entity has the right to conduct on-site audits of Suppliers.

## **9. CSR evaluation of Suppliers**

The AVRIL Group has established contact with EcoVadis<sup>4</sup> with a view to implementing a tool for CSR assessment of its Suppliers. The AVRIL Group encourages its Suppliers to get involved in this type of system and to commit to a continuing progress approach.

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<sup>4</sup> <http://www.ecovadis.com>

## **10. Violations of the Supplier Code of Conduct**

In case of a breach of the Supplier Code of Conduct, parties will discuss corrective measures through an open dialogue. If no agreement about corrective measures can be reached within a reasonable period of time or if the corrective measures are not implemented, this will be considered to be a substantial breach of contract which gives the AVRIL Group's purchasing entity the right to terminate all agreements with its Supplier with a written termination notice.