

SOCIAL POLICY

*This policy is owned by the E&S Group
Last updated June 2022*

1. PURPOSE

ECOM Agroindustrial Corp. Limited and the companies within its group ("**ECOM**") are committed to improving our environmental and social ("**E&S**") performance wherever possible, as this contributes positively to our business. ECOM views sustainability as a means to contribute to social, environmental and economic progress.

At our facilities and in our operations, ECOM requires, as a minimum, compliance with all local regulatory guidelines and requirements. In most cases, however, our practices exceed such requirements, aiming at adhering to international frameworks such as the United Nations Universal Declaration of Human Rights and best practices such as the IFC Performance Standards and associated Environment, Health and Safety (EHS) guideline. Our Modern Slavery Statement epitomizes our commitment to combat slavery and human trafficking. The ECOM Group also fully commits to implementing equality, diversity and inclusion in respect of our entire business and associated responsibilities (see our Equality, Diversity & Inclusion Policy).

In our supply chains, we seek to help producers manage their farms to optimise their productivity and diversify their on-farm incomes so that they continue to see farming as a viable and worthwhile livelihood. Without the economic and social well-being of our suppliers, our own business model would become unsustainable.

Any questions about the contents of this policy or any concerns that anything contained in this policy has not been followed should be referred to ECOM's E&S Group via email at environmental-and-social@ecomtrading.com.

2. SOCIAL

2.1 ECOM's Human Resources policy sets out the group guidelines to manage employees, along with applicable laws and benefits. This policy is (except where in conflict with local law) incorporated in local policy manuals and employee handbooks.

2.2 The following principles are included in the ECOM Group HR Policy:

2.2.1 Reasonable working conditions and terms of employment that meet or exceed national law are provided to all employees;

2.2.2 Discrimination, forced labour, child labour, unsafe working conditions are prohibited;

2.2.3 Workers have the right to form and join organisations of their choosing and bargain collectively;

2.2.4 A grievance mechanism for workers to express their concerns to management. This mechanism is set out in Chapter 4 of the ECOM Group HR Policy.

3. SUPPLY CHAIN

3.1 The business objective of ECOM is to be the preferred buyer for our suppliers, and the preferred supplier to our customers. Our focus on sustainable practices aims to improve the viability of

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our suppliers and enable us to offer a differentiated value proposition to our clients. Sustainability in our business must mean profitability over the long-term for ECOM, for our suppliers and for our customers.

3.2 Suppliers

- 3.2.1 As ECOM works directly with farmers, we are well positioned to understand and address farmer needs. We seek to provide transparency and accountability in our supply chain not only to meet client demand but also to ensure that farming provides opportunities for dignified and profitable livelihoods for generations to come.
- 3.2.2 ECOM suppliers are expected to act in accordance with ECOM's Supplier Code of Conduct which outlines the ethical, legal, environmental and social principles that suppliers accept they need to comply with if they wish to supply to ECOM.
- 3.2.3 Working with producers through the sustainability teams of ECOM, we seek to improve practices to limit problems related to working conditions, child labour, and breaches of human rights; at the same time our clients can participate and facilitate this process through their buying practices.
- 3.2.4 ECOM's long-term profitability is directly linked to the profitability of the farmers who sell to us. At its most basic level, our success depends on whether farmers continue to aspire to be farmers and to supply us with sufficient quantity and quality products.
- 3.2.5 To be the preferred buyer for our suppliers, we work with farmers to provide solutions that add value to their production and their lives. Every local market is different, but where possible this includes:
 - (a) Engaging with farmers directly and through farmer organisations;
 - (b) Training and one-on-one coaching to improve agricultural practices, resulting in better farm management, yields and quality;
 - (c) Certification to enable them to trade into higher value markets;
 - (d) Access to better inputs and credit;
 - (e) Access to better genetics and technologies.

3.3 Promoting certified production

- 3.3.1 Certification schemes play an important role in sourcing sustainable products. Verification against third party schemes is viewed by ECOM as an effective tool that ensures the advancement of the supply of sustainable products.
- 3.3.2 The ECOM Group works with certification schemes and encourages maximising the proportion of certified products to meet and anticipate the demand for them.

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4. NEW FACILITIES SETUP POLICY

4.1 Community health, safety and security

ECOM evaluates the risks and impacts to the health and safety of local communities during the design and construction and commissioning of new facilities. In planning and design of new facilities, consideration is given to:

- 4.1.1 Infrastructure and Equipment Safety: The design, construction and operation being in accordance with good industry practice;
- 4.1.2 Environmental and Natural Resources Issues: Minimise the impacts caused by natural hazards, and minimise adverse impacts on people due to project activities on soil, water and other natural resources;
- 4.1.3 Emergency Preparedness and Response: Assess the potential risks and impacts from project activities and inform affected communities of potential hazards in a culturally appropriate manner.
- 4.1.4 Security Personnel:
 - (a) Undertake reasonable preventive and defensive purposes in proportion to the nature and extent of the threat.
 - (b) When contracting security services, review the background of the company and check that it has proper policies and training for its staff regarding appropriate conduct and the use of force. Such a review could include references from other companies, training plans or instructions.

4.2 Land acquisition and involuntary resettlement

- 4.2.1 ECOM aims to avoid or minimise involuntary resettlement wherever feasible by exploring alternative project designs.
- 4.2.2 In the event that resettlement is necessary for new facilities, ECOM makes available consultations and grievance mechanisms to the affected parties. Resettlement covers both physical and/or economic displacement.
- 4.2.3 ECOM offers fair compensation for the land and any assets residing on the property. For individuals who have no legal title to the land they are offered time and possible assistance for resettlement.
- 4.2.4 ECOM collaborates with the responsible government agency, to the extent permitted by the agency, to achieve outcomes consistent with this policy.

5. CONTROL OF SECURITY PERSONNEL

- 5.1 Before engaging a security personnel contractor ECOM accepts it is our duty to identify all aspects of the work expected of the security personnel contractor. In particular, ECOM: (i) considers the environmental, health and safety implications of the proposed job; and (ii) assesses the level of risk associated with the required work both internally and externally.

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- 5.2 ECOM makes reasonable inquiries to ensure:
- 5.2.1 personnel providing security are not implicated in past abuses, criminal offences or human rights abuses;
 - 5.2.2 those providing security are aware of ECOM expectations and codes of conduct, including “Zero Tolerance” policy on the use of drugs and alcohol in the workplace; and
 - 5.2.3 proof of completion of training on the safe use and management of firearms and security threats/risks can be reasonably verified.
- 5.3 Local ECOM entities assess the need for security officers to be armed.
- 5.4 Force is only to be used for preventive and defensive purposes in proportion to the nature and extent of the threat.
- 5.5 ECOM considers and, where appropriate, investigates all allegations of unlawful or abusive acts of security personnel, take actions (or urge appropriate parties to take action) to prevent recurrence, and report unlawful and abusive acts to public authorities.
- 6. HEALTH AND SAFETY (“H&S”)**
- 6.1 Employees are of great importance to ECOM and our objective is to provide safe and congenial working environments in all offices and facilities with an ultimate target of zero accidents. Employee health is also a major concern and medical benefits equal or superior to local standards and requirements are provided in all operations. To achieve these objectives, ECOM commits that:
- 6.1.1 all facilities comply with country regulatory health and safety guidelines and requirements;
 - 6.1.2 All processing facilities assess their own specific occupational health and safety risks to implement the proper prevention measures with the support of ECOM’s E&S team;
 - 6.1.3 ECOM entities provide directly employed temporary workers with the same level of health and safety coverage as long as local contractual requirements allow it. ECOM entities verify the H&S standards of outsource companies providing temporary staff.
 - 6.1.4 All accidents in relation with ECOM’s activities are recorded and reported, and the root cause is analysed and corrective actions put in place.
- 6.2 Each aspect of analysis results in the provision of improvement recommendations. Recommendations are issued to the Senior Manager or Person in Control.
- 6.3 When issued, ECOM monitors the status of recommendations either remotely or through direct checks. Close-out is only signed off upon receipt of satisfactory evidence that all recommendations have been complied with.

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7. ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM (ESMS)

- 7.1 To manage environmental and social aspects properly and effectively ECOM has implemented an ESMS to ensure that:
 - 7.1.1 our sustainable practices are aligned with and support our business objectives;
 - 7.1.2 our own facilities are in compliance with legal requirements, basic international expectations and ECOM commitments;
 - 7.1.3 our procurement supports improvement in production and discourages unsustainable and inappropriate practices, we anticipate and mitigate negative social and environmental consequences of our business and on our business.
- 7.2 For any aid and support in understanding the ESMS please contact ECOM E&S Global Team via email at environmental-and-social@ecomtrading.com.
- 7.3 ESMS performance and updates are reviewed and approved by the E&S Committee.