

Oxiten's Responsible Sourcing Policy for PKO and Derivatives

Our Commitment

Every day, Oxiten seeks to fulfill its purpose: **to contribute to the well-being of people through chemistry**, by developing solutions that contribute to society's challenges and operations with less social and environmental impact.

This, in a practical way, happens because **Sustainability is the central element of the company's strategy**, in order to bring perennity to the business, guiding all processes and guidelines through the 2030 Strategic Sustainability Plan.

It is supported by the 8 priority material themes for the business, **aligned with the UN Sustainable Development Goals** and permeates the entire value chain of the company. Supply Chain is one of the pillars of this plan and through this theme the focus is to **establish partnership with suppliers** so that they share the same values as Oxiten, but more than that also **influence the supply chain to become increasingly sustainable and responsible**.

In this context, the Palm Kernel Oil (PKO) is one of our main raw materials originated from renewable resources and in order to ensure a sustainable consumption and production, **Oxiten became a member of the RSPO (Roundtable on Sustainable Palm Oil) in 2010**. Therefore, our commitment to sourcing PKO and derivatives is in accordance with NDPE's "**No Deforestation, No Peat and No Exploitation**" practices.

Through this policy, we endeavor to establish partnerships within our value chain, in order to develop solutions that result in responsible sourcing by setting out guidelines and requirements which is applicable for all our PKO and derivatives suppliers.

We do expect Oxiten's suppliers to work with us in compliance with these requirements attaining continuous improvement regarding palm supply chain activities. See the **Consequences Policy set forth in the Oxiten Responsible Sourcing Policy** at: <https://cdn.oxiten.com/links/SupplierPolicy.pdf>

Forest & Peat Conservation

- No development on HCS (High Carbon Stock) forests or HCV (High Conservation Value) areas;
- No development on peat regardless of depth;

- No burning in the preparation of new plantings and replantings;
- Any new development activities must utilize best practice from the principles and criteria of the Roundtable on Sustainable Palm Oil (RSPO);
- Apply RSPO Best Management Practices for existing plantations on peat;
- Work with experts and stakeholders to explore options for peat restoration;
- Increase source palm oil from supply chains which are fully committed to NDPE (No Deforestation, No Peat, No Exploitation) policies and the HCS Approach;
- Invest in the progressive reduction of pollution and emissions, including greenhouse gas emissions associated with existing plantations.

No Exploitation

- Be adhered to recognized international human rights and labor standards as they are also found at Oxiten's policy (<https://cdn.oxiteno.com/links/SupplierPolicy.pdf>). Not limited to that policy, but at the core we expect all of our suppliers to respect especially and unconditionally the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labor; the effective abolition of child labor, the elimination of discrimination in respect of employment and occupation, workers having unrestricted access to their ID cards and passports, provision of written documentation (in their native language) about terms and conditions of work and the employer to bear all fees and costs associated with recruitment and employment;
- Establish an accessible and transparent grievance procedure for workers, individuals, communities and civil society to resolve complaints through an open process. See Oxiten's grievance and complaints guideline at: <https://cdn.oxiteno.com/links/SupplierPolicy.pdf> ;
- Protect the land rights of communities and indigenous people;
- Respect indigenous peoples' and local communities' rights to lands, territories, and resources;
- Engage in a consultative and transparent process for conflict resolution;

- Support the promotion of gender equality in oil palm production and value chain;
- Support the inclusion of smallholders in the palm supply chain in order to promote sustainable agricultural practices by developing the community and small business.

Transparency & Supply Chain

- Report to Oxiten breaches of this policy and of the expectations set up in this document shall take place on awareness as soon as possible;
- Provide transparency of your palm supply chain that's match the requirements of Oxiten (currently twice per year) considering traceability of refineries, palm kernel crushers, palm oil mills and palm plantations connected (directly and indirectly) to your unit operations supplying to Oxiten together with GPS codes, names and group companies for all levels, Unified Mill list IDs, Unified Crusher IDs, Unified Refinery IDs and Unified plantation IDs);
- Increase the access and transparency into different layers of your palm supply chain according to Oxiten's information needs;
- Encourage suppliers and their 3rd party suppliers to increase transparency of your and their palm supply chain;
- Cooperate with Oxiten to verify your compliance to this policy through third party assessments in on-site audits on request.

Oxiten encourages working together and believes that a good reputation is a very valuable asset. When we recommend our suppliers follow these practices, together we are contributing to the responsible and sustainable development of our value chain.