

Feeding the world's growing population in a sustainable way is at the core of Nutreco's mission. Such a goal can only be achieved with the cooperation of all our supply chain partners. For that purpose we have issued this Supplier Code of Conduct. It enables us to engage with our suppliers on material sustainability issues relating to their operations, and to set minimum criteria that should be met. We will only source from companies that comply with the rule of law, and who conform to the criteria set out in this Supplier Code of Conduct or can demonstrate they are working towards them.

## THE CODE OF CONDUCT

### Legal compliance:

- Suppliers shall abide by all applicable laws and regulations that govern their business activities.

### Human rights:

- Suppliers shall not engage in child labour<sup>1</sup>.
- Wages and working time shall, as a minimum, comply with all applicable laws and regulations, including minimum wage, overtime and maximum hours in the country concerned.
- Suppliers shall support equal opportunities and fight discrimination at the workplace.
- Suppliers shall not use prison, indentured, or bonded labour<sup>2</sup>, or use corporal punishment or other forms of mental and physical coercion as a form of discipline.
- Suppliers shall respect and support the free association of labour and employee rights to join a trade union where allowable by law.

### Labour practices:

- Suppliers shall provide safe and healthy working conditions for its employees.
- Suppliers shall have a Health & Safety Policy freely available to all employees to access at any time.
- Suppliers shall demonstrate compliance with the policy and continuously strive to minimise accidents and risks.

### Environment:

- Suppliers shall be compliant with relevant environmental laws and regulations.
- Suppliers shall use resources in an efficient and sustainable way and strive to minimise their impact on biodiversity, climate change and water scarcity.
- Waste shall be managed responsibly and steps implemented to reduce, reuse or recycle waste as much as possible.
- Suppliers shall show responsibility towards the communities in which they operate, manage community impact resulting from company operations and implement procedures for impact control.

### Fair operating practices:

- Suppliers shall not be involved in any form of bribery and facilitation payments.
- Suppliers shall operate in accordance with the principles of free enterprise and fair market competition.

### Quality and safety:

- All products and services delivered to Nutreco shall meet the quality and safety criteria specified and shall be safe for their intended use.

### Business continuity:

- Suppliers shall make a reasonable effort to implement an emergency response programme that addresses the most likely anticipated emergencies and the provisions made to mitigate risks to product supply.

### Continuous improvement:

- Suppliers shall have or work towards a culture of continuous improvement.

### Supply chain responsibility:

- Nutreco strongly encourages its suppliers to engage with their suppliers on the principles of this Supplier Code of Conduct.
- Where Nutreco purchases from a non-producing supplier (Trader or Agent), the supplier shall communicate the Supplier Code of Conduct to the supplier(s) of raw materials supplied to Nutreco. Alternatively, suppliers may use their own policies or code of conduct in communication with their suppliers provided such code is equivalent to the Nutreco Supplier Code of Conduct.

### Monitoring & engagement:

- Nutreco welcomes open dialogue about meeting the criteria of this Supplier Code of Conduct and expects all suppliers to reflect the willingness to mitigate non-conformities.

### Supplements:

- The following supplements form an integral part of this Supplier Code of Conduct:
  - o Agricultural products
  - o Marine products

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<sup>1</sup> We uphold the [ILO Minimum Age Convention \(no. 138\)](#), which sets the general minimum age for admission to work at 15 years (13 for light work) and the minimum age for hazardous work at 18 (16 under certain strict conditions). It provides for the possibility of initially setting the general minimum age at 14 (12 for light work) where the economy and educational facilities are insufficiently developed.

<sup>2</sup> According to [ILO Forced Labour Convention \(no. 29\)](#), forced labour is any work or service performed under the menace of penalty, and for which the said persons have not offered up themselves voluntarily. There are three common forms:

- Prison labour: Work performed by individuals incarcerated by either the state or military that is a requirement of their sentence and usually without compensation.
- Indentured labour: Work performed by an individual contractually bound to an employer for a specific time period, which is usually in return for payment of travel and living expenses.
- Bonded labour: An illegal practice in which employers give high-interest loans to workers who either individually or as an entire family then labour at low wages to pay off the debt.

We believe all agricultural products should be produced in a responsible way. To that end we work with recognised organisations and platforms such as the Consumer Goods Forum and others, to address outstanding issues such as deforestation in a pragmatic and effective way. That is also why in addition to the generic principles laid down in our Supplier Code of Conduct, we set additional minimum criteria in regards to the sustainable production and sourcing of agricultural crop and dairy products. Please note that these criteria are an addition, and not replacement of the generic principles.

Although there are clear differences in the magnitude of the specific challenges involved, these additional criteria address the major issues that influence the sustainability of crop and livestock production systems. This supplement is not intended to be an exhaustive guide to sustainable agricultural practices. More detailed sustainability criteria may be required and agreed upon between Nutreco and a supplier, which will then be included in a separate agreement.

## SUPPLEMENT FOR SUPPLIERS OF AGRICULTURAL PRODUCTS

### Scope:

- This supplement to the Supplier Code of Conduct is valid for all agricultural products supplied to Nutreco. This includes conventionally grown, organic and genetically modified (GM) crops and products derived thereof as well as products from the dairy industry.

### Criteria for sustainable sourcing of agricultural products:

- **Traceability:** Suppliers shall implement traceability systems that enable the products supplied to Nutreco to be traced back to their source. For crops, ideally this would go back to the farm where the crops were grown and as a minimum to the country of origin.
- **Certification:** Nutreco encourages suppliers to obtain recognised third-party certification or any other means of independent verification that demonstrate compliance with the criteria specified in this supplement.
- **Supply Chain Responsibility** (traders, agents or processors): Suppliers shall make reasonable efforts to engage with their suppliers on the criteria for sustainable sourcing and production of agricultural products presented in this supplement.

### Criteria for sustainable production of agricultural products:

- **Agrochemicals and organic fertilisers<sup>1</sup>:** Recognised best agricultural practices shall be adopted in regards to the storage, use and application of agrochemicals and organic fertilisers with the aim to reduce the need for agrochemicals, minimise environmental pollution and avoid negative impacts on human health and well-being and ecosystem services.
- **Soils:** Recognised best agricultural practices shall be adopted to maintain and improve soils, taking into consideration soil structure, fertility and erosion.
- **Water:** Farm management practices shall ensure water is used as efficiently as possible and its quality protected. The effects of water use and the impact of business activities on local water resources shall be assessed.
- **Agricultural land expansion and deforestation:** Suppliers shall act in accordance with national laws, industry commitments and guidance provided by recognised multi-stakeholder initiatives to ensure expansion of agricultural land takes place in a responsible way. Nutreco does not tolerate illegal deforestation and conversion of natural habitats into agricultural land resulting in loss of biodiversity. Instead, production

should be encouraged in areas designated as degraded lands.

- **Protection of biodiversity:** Suppliers shall demonstrate awareness of potential adverse effects of their business activities on biodiversity and ecosystem services, and have measures in place to avoid, minimise, rectify or, as a last resort, compensate for these.
- **Greenhouse gas emissions:** Suppliers shall demonstrate awareness of the activities in their direct operations and supply chains that are important sources for emissions of greenhouse gases and strive to reduce these.
- **Land use rights:** Property and land use rights shall be respected, particularly with regards to indigenous people and populations.

### For dairy products, the following criteria for sustainable production apply additionally:

- **Animal welfare:** Animals shall be treated with care and respect. Living conditions for livestock should provide access to natural light, fresh air, fresh water, and a healthy diet. They should shelter the animals from extreme temperatures and provide adequate space and opportunity to engage in natural behaviours, including social contact with other animals. Animal stress during handling, transportation and slaughter shall be minimised.
- **Responsible use of antibiotics:** Best practices in farm health management shall be adopted to avoid, reduce and, where indispensable, guarantee the prudent and appropriate use of antibiotics. The use of antibiotics shall be supervised by an animal health specialist. Antibiotics of significant human medical importance, particularly antibiotics listed as critically important for human medicine by the World Health Organization (WHO), shall not be used if the principle intent is to improve performance.
- **Nutrient efficiency:** Suppliers shall provide livestock a balanced diet targeted at the anticipated production, the production of milk per cow optimised and measures implemented to increase the longevity of cows, resulting in minimised carbon (including methane), nitrogen, phosphorus and other nutrient losses.

<sup>1</sup> Agrochemicals includes crop protection products, other pesticides and synthetic (inorganic/mineral) fertilisers; organic fertilisers includes manures, composts, etc.

Overfishing of wild fish stocks for fishmeal and fish oil production is detrimental to the marine ecosystem. Therefore in addition to the generic principles laid down in our Supplier Code of Conduct, we set additional minimum criteria in regards to the sustainable sourcing of marine products and the responsible management of the fisheries where these products originate. Please note that these criteria are an addition, and not replacement of the generic principles.

This supplement is not intended to be an exhaustive guide to sustainable management of fisheries. More detailed sustainability criteria may be required and agreed upon between Nutreco and a supplier, which will then be included in a separate agreement.

### SUPPLEMENT FOR SUPPLIERS OF MARINE PRODUCTS

#### Scope:

This supplement to the Supplier Code of Conduct is valid for all marine raw materials used in Nutreco products including:

- Fishmeal and fish oil processed from fish and crustaceans caught whole, by-products from fishery processing and by-products from aquaculture.

#### Criteria for sustainable sourcing of marine products:

- **Traceability:** Suppliers shall implement traceability systems that enable the original material used in the products sold to Nutreco to be traced back to fishery/fisheries of origin or the farmed species and country of origin.
- **Certification:** Nutreco encourages suppliers to obtain recognised third-party certification or any other means of independent verification that demonstrate compliance with the criteria specified in this supplement.
- **Supply chain responsibility** (traders, agents or processors): Suppliers shall engage with their suppliers on the criteria for sustainable sourcing and responsible fisheries management presented in this supplement and ensure the products sold to Nutreco are in compliance.

#### Criteria for marine products from fish processing:

- **Threatened species:** Suppliers shall not process species or by-products from species that are classified as Critically Endangered or Endangered in the IUCN Red List. Species that are listed as Vulnerable are not eligible for use as by-product, unless for fisheries from a discrete sub-population assessed to be responsibly managed.

**IUU fishing activity:** Fishery material shall not be from illegal, unreported and unregulated (IUU) fishing activity.

#### Criteria for marine products from aquaculture:

- **Responsible use of antibiotics:** Best practices in farm health management shall be adopted to avoid, reduce and, where indispensable, guarantee the prudent and appropriate use of antibiotics. The use of antibiotics shall be supervised by an animal health specialist. Antibiotics of significant human medical importance, particularly antibiotics listed as critically important for human medicine by the World Health Organization (WHO), shall not be used if the principle intent is to improve performance.
- **Mortalities:** Material shall not originate from natural mortalities.

#### Criteria for material from whole fish:

These criteria are valid for fisheries where the whole fish is processed to produce fishmeal and/or oil.

Nutreco subscribes to, and promotes, the fishery management principles of the FAO Code of Conduct for Responsible Fisheries. Nutreco expects its suppliers to work towards complying with the principles specified in that code:

- **Fishery Management Framework and Procedures:** Fishery management actions shall be based on the long-term conservation of the fishery and ecosystem. Management shall be concerned with the whole stock over its entire distribution and consider all fishery removals and the biology of the species.
- **Stock Assessment Procedures and Management Advice:** There shall be scientific information available on the characteristics of the fishery relevant to the long-term conservation of the fishery and ecosystem, including its geographic distribution, stock assessment of target species and, where applicable, impacts on non-target species.
- **The Precautionary Principle:** The fisheries management framework shall apply a precautionary approach to the conservation of the target fishery resource, associated non-target species and for the conservation of the wider ecosystem.
- **Management Measures:** The level of fishing permitted shall be set according to scientific information and, where available, a recommendation from an officially recognised body.
- **Reporting and Recording of Fishery Raw Materials:** Fishery material shall be traceable to a species and fishery/fisheries assessed as compliant to the criteria for responsible fishery management set forward in this Code of Conduct.
- **IUU fishing activity:** Fishery material shall not be from illegal, unreported and unregulated (IUU) fishing activity nor sourced from vessels officially listed as engaging in IUU fishing activity.
- **Fishery Improvement Programmes:** Many important fisheries are not currently managed well enough to comply with the key requirements of the FAO Code of Conduct for Responsible Fisheries. Therefore, Nutreco encourages its suppliers that source materials from such fisheries to engage with relevant stakeholders (fishmeal processors, fishermen, traders and agents, authorities, NGOs etc.) to assist these fisheries to improve their management practices so they are able to comply with the fishery management requirements of the FAO Code of Conduct for Responsible Fisheries.