



Responsible Sourcing Policy

Purpose

AB Agri seek to take a moral approach to purchasing and has committed that by 2030 'everything we purchase will meet a defined AB Agri responsible sourcing standard, which will be industry leading'. AB Agri's Responsible sourcing is a commitment to take into account Environmental, Social and Governance standards for everything that is purchased.

This Policy drives the mechanism by which this objective will be delivered.

Scope

This policy applies to all employees and will encompass everything purchased across AB Agri with a phased and prioritised approach through to 2030. Relevant business strategies and other AB Agri Responsibility requirements may be aligned to this policy.

Responsible Sourcing Standard

The Responsible Sourcing Standard will be agreed and prioritised by the Responsible Sourcing Steering group and will be reviewed in the event of any new focus emanating from the AB Agri strategy, customer requirements, changing legislation, or any other relevant sources. Additionally, priority will be based on the commodity specific materiality of risk based on our responsibility supply chain risk assessment process. It will be reviewed at least annually and must reflect the ambition to be 'industry leading' in the area of Responsible Sourcing.

The Responsibility factors will include deforestation and/or conversion, both illegal and legal, within our ingredient, packaging and paper/card supply chains together with human and labour rights within all procured goods and services. Circularity of our supply chains is also an important responsibility factor for AB Agri and will focus on how we can use the materials in our products most effectively and responsibly. AB Agri will have three approaches to responsible use which will be to Recycle, Innovate and Manage. Recycle will focus on identification and use of co-product materials from other industries or processes. Innovation will adopt new products, technologies or processes that make more efficient, sustainable use of existing resources. Manage will focus on ensuring that materials, where risks have been identified, will either be sourced from sustainable sources or replaced by more responsible alternatives. Other responsibility factors may also be identified as a result of the annual review of this policy.

Business Requirements

- AB Agri, and its subsidiaries must comply to the Responsible Sourcing Standard as well as any local legislation or customer requirements
- All businesses and central functions must:
 - Be accountable for responsible sourcing at management level and regularly review their progress against the Responsible Sourcing Standard
 - Have purchasing procedures that include the requirements of this policy and train their employees accordingly
 - Meet internal reporting requirements
 - Consider the requirements of the Responsible Sourcing Standard in the development of new products and innovation
- Employees will:
 - Know the responsible sourcing requirements relevant to their role



- Be empowered to make ethical decisions based on economic, social and environmental criteria
- Comply with the relevant sourcing procedures
- Purchases must:
 - Have a demonstrable transparent supply chain which can evidence responsible sourcing
 - Be manufactured or developed to responsible sourcing standard requirements
 - Have agreed to, and comply to, our Codes of Conduct which encompasses Responsible Sourcing Standards

Continuous Improvement

AB Agri seeks to quantify and improve issues where identified in our supply chain by engaging with affected rightsholders and collaborating with key stakeholders. Where applicable adequate grievance mechanisms will be available within our organisation and promoted with our direct suppliers to ensure there are transparent means to raise, respond, track and close sensitive environmental and social issues.