

Vendor Code of Conduct

Applicability

Alphonsa Cashew Industries Vendor Code of Conduct is applicable to all vendors engaged in providing products and services to Alphonsa Cashew Industries.

Introduction

The Alphonsa Cashew Industries Vendor Code of Conduct (“Code”) describes Alphonsa Cashew Industries’ expectations of how its vendors conduct business. All vendors engaged in providing products and services to Alphonsa Cashew Industries are expected to act in accordance with the Code, including aligning guidelines, policies and practices, and communicating and enforcing the Code provisions throughout their organisation and across their supply chain, including to subcontractors.

Vendors must act with integrity and are expected to demonstrate a commitment to legal, ethical, safe, fair, and environmentally responsible business practices. We seek vendors that operate in compliance with all applicable environmental laws and focus on working with vendors that make efficient and effective use of natural resources. We are an inclusive culture and believe discrimination in any form should not be tolerated. Vendors are expected to demonstrate a commitment to inclusive business practices, including without limitation diversity in their workplace.

We require that our vendors understand the requirements of this Code, operate in accordance with the expectations outlined in this Code and comply, at a minimum with all applicable laws, rules, regulations and standards within the geographies in which they operate. In instances where standards outlined in the Code differ from local laws, vendors must respect these standards within the framework of the applicable local laws. Vendors must be open and cooperative with the regulators and comply with the global and local jurisdictional requirements. This document summaries our expectations from vendors, subcontractors and their staff.

1) Ethical Business Practices

Alphonsa Cashew Industries is committed to conducting our business in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations. We expect our vendors to share our principles and uphold our standards and for each to develop policies and programs as appropriate to ensure that all workers understand and adhere to these standards.

1.1) Anti-Bribery

Alphonsa Cashew Industries does not tolerate corruption or bribery in any form and we expect our vendors to fully comply with requirements of all applicable anti-corruption laws. Vendors should not directly or indirectly give, offer, or accept anything of value to obtain or retain business or favoured treatment, to influence actions or to obtain an improper advantage for Alphonsa Cashew Industries, itself, or any third party. This includes any benefit, fee, commission, dividend, gift, cash, gratuity, services, consideration or any inducements of any kind to any Alphonsa Cashew Industries representatives, officers, agents or employees of Alphonsa Cashew Industries. Furthermore, vendors will ensure the same of any affiliates, retained agents, subcontractors, intermediaries or workers. This prohibition extends not only to public officials, candidates for office, and workers of state-owned enterprises, but also to workers or officers of counter-parties, clients/customers, suppliers, any agent of the aforementioned parties, or any other person with whom the firm does or anticipates doing business.

1.2) Privacy and Data Protection

We expect our vendors to protect confidential information. Vendors must adopt and maintain processes to provide reasonable protections for personal, proprietary and confidential information, including information that they access, receive or process on behalf of Alphonsa Cashew Industries. Vendors should recognise that unauthorised use or disclosure of such information may have personal, legal, reputational and financial consequences for the vendor, individuals whose personal information may be implicated, and for Alphonsa Cashew Industries. In addition, vendors must comply with all applicable privacy / data protection and information security laws and regulations.

1.3) Grievance Mechanism

We expect our vendors to have a process through which their workers can raise workplace concerns without fear of retaliation. This grievance mechanism should be transparent and understandable to workers, and should ensure the protection of whistleblowers.

1.4) Anti-Tax Evasion and Anti-Facilitation of Tax Evasion

Alphonsa Cashew Industries will not tolerate unlawful tax evasion or the facilitation of unlawful tax evasion. Vendors must not directly or indirectly engage in, or facilitate the engagement by others in, the deliberate and fraudulent diversion of funds from a tax authority. We also expect vendors to ensure the same of their agents, subcontractors, intermediaries and workers by adopting, maintaining and implementing reasonable processes that prevent such conduct.

2) Labor and Human Rights

Alphonsa Cashew Industries recognises its responsibility to protect human rights. Examples of such rights are articulated in internationally recognised standards, including the Universal Declaration of Human Rights, and the International Labor Organization (ILO) Core Conventions. Our position is reflected in our Human Rights Policy and our actions in the countries in which we do business. We expect our vendors to have similar policies and practices that apply to all workers, suppliers, and their supply chains, including migrant and temporary workers, and address the following topics (2.1) to (2.8):

2.1) Wages and Benefits

Vendors should provide wages and benefits that meet or exceed the requirements of local law. At a minimum, vendors should pay workers regularly and timely, the legal minimum wage, the prevailing industry wage, or the wage negotiated in an applicable collective agreement, whichever is higher. All other types of legally mandated benefits must be provided as required by law, including, as applicable, paid leave, pension, statutory insurance, health benefits, maternity leave, parental leave, family care leave, and child care benefits. All overtime work must be performed and compensated in accordance with the law and the individual's employment contract or other applicable contract or collective agreement.

2.2) Working Hours

Workers should not be required to work in excess of the relevant legal limits on working hours, overtime hours and number of working days per week. Workers shall be granted and correctly compensated for any types of paid leave or time off to which they are legally entitled under applicable law, which may include, for example, holidays, maternity/parental leave, family care leave and sick leave.

2.3) Slavery, Forced Labor and Human Trafficking

Alphonsa Cashew Industries does not tolerate slavery, forced labor, or human trafficking in any form and Alphonsa Cashew Industries will not knowingly work with vendors who engage in these practices or permit their subcontractors to engage in these practices. We expect our vendors to fully comply with requirements of applicable slavery, forced labor and human trafficking laws in where they operate.

All work must be performed under and in accordance with contracts that have been entered into voluntarily. Vendors must not use involuntary labor of any kind, including prison labor, debt bondage, or forced labor by governments. Vendors must not engage in practices associated with forced labor. These practices, identified by the International Labour Organization (ILO), include withholding of wages, retention of identity documents, and restriction of movement. Vendors should put into place measures that ensure workers are not exploited by third party labor providers, such as recruiters or agencies. Such measures include: caps on or elimination of recruitment fees; provision of contracts to all workers in their native language or other language which they are able to understand; elimination of deposits paid by workers to vendors or recruiters to secure jobs.

Additionally, vendors must not engage in or support human trafficking and are encouraged to implement due diligence measures to ensure that no human trafficking exists within their extended supply chains.

2.4) Child Labor

Vendors must not employ child labor, and should take the necessary preventive measures to ensure that it does not employ anyone under the applicable legal minimum age of employment. Such measures include age verification systems, training for managers, and communicating with subcontractors and suppliers on child labor issues. Alphonsa Cashew Industries fully supports and abides by ILO Conventions 138 and 182, and the UN Convention on the Rights of the Child. The term "child" refers to any person under the age of 15 (or 14 where the law of the country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is higher. When employing workers over the age of 15 (or 14 where the law of the country permits) and under the age of 18, vendors must ensure that such employment is in accordance with the relevant law and must provide adequate protection against any conditions that may be hazardous to the health and safety of young workers.

2.5) Freedom of Association

We seek vendors who productively engage workers and value them as critical assets to sustainable business success. We expect vendors to respect workers' rights to freedom of association by meeting or exceeding the relevant requirements of local law.

2.6) Respect, Inclusion and Non-discrimination

Workers should be treated with respect and dignity at all times. We require vendors to comply with all applicable laws regarding discrimination in hiring and employment practices.

We expect vendors to maintain a workplace free of discrimination, harassment, victimisation, and any other form of inappropriate behaviour or abuse on any grounds including but not limited to age, disability, ethnic or social origin, gender, gender identity, nationality, race, sexual orientation, marital status, parental status, pregnancy, political convictions, religious beliefs, union affiliation, or veteran status. Vendors are expected to maintain an environment free of harassment, violence and abuse (physical or verbal) at all times.

2.7) Safe and Healthy Work Environment

Vendors must provide a safe and healthy working environment that minimises health and safety risks and supports accident prevention and ensures the health and safety of all personnel and all others affected by their activities. Vendors are required to, and shall require their subcontractors to, comply with all applicable safety and health laws and regulations in the jurisdictions in which they operate, and to provide workers with access to appropriate personal protective equipment at no cost.

2.8) Sanitation, Food and Housing

The vendor's workers must be provided with ready access to clean toilet facilities and potable water. If the vendor provides worker accommodation, it is to be maintained in a clean and safe manner, and provide appropriate emergency egress, fire safety measures, hot water for bathing and showering, adequate heat and ventilation, and reasonable entry and exit privileges.

3) Vendor Diversity and Inclusion

Alphonsa Cashew Industries believes that diversity is a social and economic imperative and looks to vendors to share this commitment in their operations and within their supply chain. Vendors are expected to take proactive steps to provide a full spectrum of businesses – based on the ownership structure (for example, women owned, locally owned), scale (for example, small or medium enterprise) or nature of the enterprise (for example, social enterprise) – with the opportunity to compete on a fair and equal basis for business.

4) Environmental Stewardship

Environmental stewardship is a key aspect of how Alphonsa Cashew Industries operates our business, as reflected in our Environmental Policy. We encourage our vendors to adhere to similar environmental efforts as appropriate to their businesses and aligned with best practices locally and globally. This includes implementing processes to identify and manage risks and opportunities related to climate change and water.

4.1) Energy and Emissions

We encourage our vendors to track, manage, and mitigate the environmental impact of their operations and strategies, including those of their suppliers. Where feasible, vendors should take steps to incorporate how they will mitigate the impact of climate change into their strategies and business resiliency plans, through establishing greenhouse gas (GHG) emission reduction targets, selecting low-GHG products and services, and other initiatives, where relevant. If requested by Alphonsa Cashew Industries, we encourage vendors to disclose energy and emissions management policies and performance.

4.2) Water

Vendors are encouraged to take steps to conserve, reduce use of, and reuse water in their own operations. Vendors are also encouraged to manage water resources to ensure their operations do not prevent access to sufficient safe water for all users in surrounding communities, including those both up and downstream from their facilities.

4.3) Waste

Vendors are encouraged to take concrete steps to minimise or eliminate waste across their operations and those of their suppliers. Any waste, and in particular hazardous waste, must be managed in a responsible manner. Chemical and other materials posing a hazard if released to the environment should be identified and managed to ensure safe handling, movement, storage, recycling or reuse and disposal. All workers who handle waste and hazardous wastes must be properly trained on how to deal with substances and the potential hazards the material presents if mismanaged or released to the worker and environment. Vendors must only use permitted transporters and haulers that have a positive record of operating safely and complying with applicable transportation laws and best management practices.

4.4) Material Restrictions and Handling

All materials used by vendors must comply with applicable rules, laws, and regulations regarding the prohibition or restriction of specific substances to ensure safe and responsible handling, storage, movement, reuse, recycling and disposal.

5) Management Systems

Alphonsa Cashew Industries strongly encourages our vendors to institute effective management systems that utilise the best available techniques and practices to adhere to this Code and continuously improve their performance. This should include a process for the identification and proactive mitigation of risks associated with compliance to this Code, as well as a process for ongoing monitoring and review of risk controls, and prompt and accurate reporting of all incidents.

Examples of management systems with a scope related to the content of this Code include: ISO 9001, ISO 14001, ISO 50001, SA8000/Sedex SMETA, and OHSAS 18001/ISO 45001.

6) Reporting Misconduct

This Code sets forth our expectations for current and future vendors. We expect all new and existing vendors to meet our minimum expectations and to aspire to make continuous improvements to their businesses as noted herein across ethical, human and labor rights, vendor diversity and inclusion and environmental areas.

In line with the Alphonsa Cashew Industries Integrity Helpline Program, we provide our people and the public with various channels through which integrity concerns can be raised without reprisal. If you encounter what you believe to be any potential integrity concerns, including but not limited to violation of local laws or regulations, or this Code, or unethical behaviour, you may report your concerns via the Alphonsa Cashew Industries Integrity Helpline by visiting integrity.alphonsacashew.com

Retaliation of any kind against an individual who reports concerns in good faith violates Alphonsa Cashew Industries' principles and will not be tolerated.

7) Working Together

We expect our vendors to join us in our commitment to transparency and disclosure. If requested, vendors are expected to provide details and data about their performance on the topics included in this Code to the firm or to other entities.

If a vendor is found to be in violation of the requirements of this Code, we will expect that vendor to inform us immediately or as soon as is practicable and remedy any such violation in a timely and sensitive manner. Failure by a vendor to do so may lead to review or termination of our relationship.

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