



ofi Agri Supplier Code

Code of Conduct for Suppliers
of Agricultural Products





Introduction

For **ofi** and its subsidiaries worldwide, upholding high standards of behavior, and conducting business in an ethical, socially responsible, and environmentally sustainable manner, is integral to our continued success and to our purpose to be the change for good food and a healthy future.

Building long-term relationships with our suppliers is important to developing more sustainable and responsible agricultural supply chains. The **ofi Agri Supplier Code** ("the Code") sets out the standards and principles we expect our suppliers of agricultural products to uphold, including in relation to **ofi's** Policies and all applicable laws and international standards.

The **Code** applies to **ofi** agri suppliers¹ such as individual farmers and farmer groups, farming and processing enterprises as well as intermediaries such as buying or collecting agents and trading companies – that supply products to **ofi**. Suppliers to **ofi** are expected to ensure their own suppliers are aware of, and comply with, the principles set out in this **Code**, as described in the Ensuring Compliance section below.

For the purpose of this **Code**, the terms 'worker' and 'employee' are used interchangeably and refer to permanent, temporary (e.g. seasonal, daily) and sub-contracted (i.e. contracted by a third-party) workers. This Code should be read together with the **ofi** Agri Supplier Code Guidance Document, which provides definitions and explanations for a better understanding of the requirements.

The following sets out our mandatory expectations, and those areas where we expect Suppliers to act in a progressive manner, subject to their capacity.

1. Legal compliance

Suppliers shall comply with all relevant laws and regulations that govern their operations, including labor, social security and environmental laws. If requirements of this Code differ from requirements set out in applicable local laws, Suppliers shall apply the higher standard.

2. Ethical business practices

Suppliers shall not engage in unethical business practices, including bribery, corruption, fraud, tax evasion or abuse of power. Suppliers shall be open, honest, and accurate in their dealings with **ofi**.

3. Record-keeping and transparency

Suppliers shall keep accurate records of product movements, product mixing or aggregation from different sources, and product transactions from the product origin² until **ofi** takes ownership/possession and maintain segregated product supply lines where applicable.

4. Child labor

Suppliers shall strictly respect these minimum ages³ for work and employment, or the minimum ages defined by the local law, whichever are higher. Subject to any variations in local law:

- Individuals below 18 years of age may not perform hazardous work;
- Children below the age of 15, and children of compulsory school age, must not be employed;

¹ An **ofi** agri-supplier is defined as any entity or person who sells agricultural products and raw materials to **ofi**. It can include farmers, farmer co-operatives, associations, or their representatives and intermediaries, and processors of food products and derivatives.

² Product origin shall be defined by **ofi** and can mean producing region, farmer group or individual farmer.

³ Reference: ILO Conventions 138 and 182.



- Children between 13 and 15 years old may only perform light work on their family farm, under the supervision of an adult and under the condition that the work does not interfere with their schooling;
- Children below 13 years old are not allowed to work.

5. Forced labor

Suppliers shall not use or benefit from the use of any form of forced or coerced labor, such as slave labor, labor bonded by a debt or trafficked individuals, and nor shall they use the labor of prisoners.

Coercive practices, including withholding of wages, IDs, threats of any kind, violence or restricting of freedoms are prohibited.

No threats, fines, or obligations shall be imposed on workers to carry out overtime work.

6. Respect and non-discrimination

Suppliers shall make sure that no person is treated unequally on the basis of race, color, gender, religion, age, disability, sexual orientation, nationality, ethnic origin, social status, political views, religion, family obligations or membership in associations:

- Non-discrimination applies to all employment practices, including hiring, compensation, advancement, discipline and termination. In farmer groups, there shall be no discrimination in access to membership, leadership positions or to services.
- No person shall be subject to violence or physical, sexual, verbal or psychological harassment.
- Every person's
 - privacy shall be protected from interference.
 - rights to practice their culture and religion shall be respected.
- Disciplinary measures shall be fair and never involve humiliating practices, violence or withholding or deduction of wages.
- Suppliers shall strive to make reasonable adjustments to working conditions, hours and facilities to accommodate the diverse needs of individuals.

7. Terms of employment

Suppliers shall ensure that terms of employment are compliant with the applicable laws, respect the rights of the workers, are fully understood and freely agreed to by the workers and adhered to by the employer. No employees shall be required to pay for their employment.

8. Working hours

Suppliers shall respect the maximum working hours prescribed by local laws, or the following limits, whichever is lower:

- a normal working day shall not exceed 12 hours;
- regular breaks during the day shall be provided;
- a regular work week shall not exceed 48 hours;
- workers shall be allowed at least 24 consecutive hours of rest in every seven-day period;
- all overtime work shall be consensual, compensated at a higher rate and not requested on a regular basis;
- other than in exceptional circumstances⁴, the sum of regular and overtime hours in a week shall not exceed 60 hours.

⁴ Peak production periods cannot be counted as exceptional circumstances.



9. Wages and benefits

Suppliers shall pay their employees' wages not lower than the minimum wage established by the law or by a competent authority for this type of work in the locality, whichever is higher.

Wages and overtime compensations shall be paid in full, on time and at least monthly.

Recognizing workers' right for fair pay, Suppliers shall progressively offer compensation for a regular work week that is sufficient to meet the worker's basic needs and provides some discretionary income.

10. Health and safety

Suppliers shall ensure that work is performed in a safe way using appropriate tools and practices and that adequate safety trainings and personal protective equipment are provided to all workers at no cost to them.

Suppliers shall prevent accidents and shall have necessary measures to manage health and safety, and ensure worker's access to emergency medical services.

Suppliers shall ensure that working and living conditions are safe and provide adequate light, ventilation, temperature, roof, and access to water and sanitation.

11. Freedom of association and right to collective bargaining

Suppliers shall recognize and respect the right of employees, as well as farmer group members, to form, join, or to refrain from joining, representative associations of their choice, and to bargain collectively with their employer and farmer group leaders on work-related topics. Agreements reached from collective bargaining shall be enforceable.

12. Local communities and land rights

Suppliers shall respect the customary, legal land tenure and access rights of indigenous people and local communities to natural resources.

Suppliers shall maintain open dialogue with local communities regarding the impacts of Suppliers' operations and strive to minimize those impacts.

Suppliers shall obtain the free, prior and informed consent of local communities in relation to any project or development that may affect their legal or traditional ownership, or customary use, of their land or territories and other resources.

Suppliers shall not participate in, or benefit from, forced evictions and shall ensure that displaced communities receive adequate, mutually agreed compensation.

13. Grievance mechanisms

Suppliers shall establish a process to receive, review and investigate complaints coming from employees, farmer group members and local communities, and take corrective actions as appropriate.

Employees, farmer group members and members of affected communities shall be aware of the process and of their right to express concerns and complaints without threat of reprisal or intimidation.

14. Forests and ecosystem conservation

Suppliers shall not source or deliver products to **ofi** resulting from the destruction of important natural habitats, including:

- legally protected areas,
- areas of high conservation value, that are recognized locally, nationally or internationally,

- important natural ecosystems including forests and peatlands, which have high carbon stocks⁵.

15. Biodiversity

Suppliers and employees shall preserve nationally protected species, and rare, threatened, or endangered species⁶. They will adopt suitable practices to protect these species, their habitats and important sites on and around farms.

Suppliers shall avoid introducing invasive and alien species, and adopt suitable practices to control them.

16. Use of fire

Suppliers shall not use, nor allow the use of, fire in land preparation including planting and replanting, other than in exceptional circumstances to be agreed with **ofi**.

17. Soil management

Suppliers shall adopt suitable practices to avoid and combat soil degradation and erosion.

18. Safe and responsible use of chemicals⁷

Suppliers shall ensure safe storage, handling, application, and disposal of agro-chemicals, including pesticides and fertilizers. Banned agro-chemicals, as well as agro-chemicals with unclear composition and not properly labelled shall not be used. Suppliers shall strive to reduce the amounts of agro-chemicals used.

19. Animal welfare

Suppliers involved in animal-rearing, or using working animals, shall ensure humane treatment of animals and, at a minimum, provide them with regular and adequate food and water, necessary rest, shelter, medical treatment, sufficient living space in the company of their own kind, and spare them from mental suffering and distress.

20. Protection of water sources

Suppliers shall avoid contamination or pollution of surface and groundwater sources in and around farms and factories, respecting minimum distances from water sources and preserving buffer zones of natural vegetation.

Waste water shall undergo appropriate treatment to minimize the load of contaminants.

In water-stressed areas, Suppliers shall adopt suitable practices to use water sources efficiently.

21. Waste management

Suppliers shall ensure that waste collection, storage and disposal are properly organized and that hazardous waste is treated and disposed of in a safe way.

Suppliers shall strive to reduce, compact, reuse and recycle waste as much as possible.

22. Energy efficiency

Suppliers shall strive to use fuel and electricity efficiently, and to use renewable energy sources. Suppliers shall monitor energy use in production and processing.

⁵ For definitions see the **ofi** Supplier Code Guidance

⁶ as defined by the [IUCN Red List of Threatened Species](#)

⁷ Not applicable to production of certified bio and organic products



Ensuring compliance to the code

Suppliers shall communicate the requirements of the **Code** to their employees and ensure their compliance. Farmer groups shall communicate the requirements of the **Code** to their members and ensure their compliance.

With respect to their own suppliers, Suppliers to **ofi** shall:

- communicate the requirements of the **Code** to their suppliers, up to the product origin;
- ensure that they procure goods only from suppliers that respect the **Code**;
- inform **ofi** if their suppliers experience challenges applying the principles of the **Code**;
- work with non-compliant suppliers to develop, implement and monitor action plans to resolve challenges.

Suppliers may be requested to supply evidence of compliance and **ofi** reserves the right to conduct audits and inspections to verify compliance with the **Code** up to the product origin. In case a supplier is consistently found to be non-compliant, and does not demonstrate adequate effort to improve compliance, **ofi** reserves the right to suspend procurement of products coming from this supplier.

Product or country– specific requirements

Where specific additional requirements are made for the supply chain, **ofi** (including through its local subsidiary, where applicable) shall specify those requirements in an addendum to the **Code**. These requirements shall not contradict the requirements of the **Code**.



Supplier declaration

Please complete the fields below and return to your **ofi** representative.

I confirm that I fully understand the requirements of the **ofi Agri Supplier Code**, and I and the farmer group and its members / the company, its subsidiaries and employees (*strike through as applicable*) that I represent, shall comply with the principles laid out in the Code. I shall also ensure that any upstream supplier whose produce or derivatives I sell to **ofi** respects the code.

Supplier name:

Supplier ID with **ofi**:
(*If applicable*)

Title:

Name of authorized representative:

Signature:

Date:

ofi entity:

(*Insert name of applicable local **ofi** purchasing entity*)

Name of authorized representative:

Title:

Signature:

Date: