

# Summary - Agri-Commodities

## Why does ABN AMRO have a sustainability policy for Agri-commodities?

ABN AMRO strives to create long-term value for its stakeholders, to respect human rights and safeguard the environment. The bank recognizes that in its role as a financial service provider it may be exposed to social, environmental and ethical risks through the activities of clients. To manage these sustainability risks, ABN AMRO operates a Sustainability Risk Policy Framework in line with the bank's moderate risk profile.

More specifically, ABN AMRO has formulated sustainability requirements for clients in the agri-commodity sector. ABN AMRO acknowledges that the agri sector poses sustainability risks, such as:

- *Deforestation*: Agriculture may involve clear-cutting of forest. Deforestation is of concern as forests are a prerequisite for biodiversity. Forests also serve as carbon sinks and therefore play an important role in climate change mitigation.
- *Peatland degradation*: Peatlands may be drained for agricultural purposes. This causes degradation and the emission of methane into the atmosphere contributing to climate change. Also, drainage increases the risk of fire and flooding.
- *Land issues*: Large-scale land acquisitions for the purpose of plantations for agriculture may lead to land disputes with local communities.
- *Working conditions*: Working conditions in the agri sector may be hazardous, for example because of lack of protection and the use of chemicals and pesticides. Also child labour may be an issue.
- *Water & soil pollution*: The use of pesticides, herbicides and chemicals in agriculture may result in pollution of water and soil.

## What is the scope of this policy?

This policy applies to ABN AMRO and all its subsidiaries, branches and representative offices and legal entities that are under its control, and it applies to all the bank's capacities: lender, investor, asset manager, service provider and purchaser.

The agri-commodities policy in particular applies to all clients active in the value chain of agri-commodities, defined as companies active in the production, processing and trade of agri-commodities. For the purpose of this policy the sector is divided in generic and sensitive agri-commodities:

- Cocoa
- Coffee
- Cotton
- Forest commodities (including pulp, paper and rubber)
- Palm oil
- Soy
- Sugarcane

## Due-diligence standards

For generic agri-commodities and the seven sensitive agri-commodities, ABN AMRO applies a set of minimum requirements and benchmark criteria. ABN AMRO will only finance clients who comply with all applicable minimum requirements, or have an improvement plan in place to do so within a limited timeframe. The benchmark criteria, which are aligned with international best practices, are used to compare the client's performance with their industry peers on an ongoing basis. An overview of the applicable minimum requirements and benchmark criteria for the generic and sensitive crops is included in the appendix below.

ABN AMRO has an inclusive approach. This means that the bank will engage with clients who do not yet meet the bank's minimum requirements, but who are willing and able to do so within a limited timeframe. The exception to this inclusive approach concerns activities on ABN AMRO's [Exclusion List](#); as these activities are simply too risky from a sustainability perspective.

## How does ABN AMRO put its standards into practice?

In accordance with its Sustainability Risk Policy for Lending and Project Finance, ABN AMRO puts its sustainability standards into practice through a sustainability risk management process. This covers the following steps; risk determination, risk assessment, approval of the transaction and monitoring and reporting. ABN AMRO reviews (prospective) clients at various moments to determine their compliance with the bank's Policy:

- When the client is first accepted;
- If and when the client applies for a loan of € 1 million or more – the review is then repeated every year;
- In the event of incidents or if important new information comes to light based on which the client's risk level or performance score might change.

## Appendices:

Appendix 1: sustainability standards for cocoa

Appendix 2: sustainability standards for coffee

Appendix 3: sustainability standards for cotton

Appendix 4: sustainability standards for forest commodities

Appendix 5: sustainability standards for palm oil

Appendix 6: sustainability standards for soy

Appendix 7: sustainability standards for sugar cane

Appendix 8: sustainability standards for other 'non-sensitive' Agri-commodities

## Appendix 1 - Requirements Cocoa

<b>Minimum requirements</b>	
<b>Processors</b>	<b>Traders</b>
1. Compliant with local ES <sup>1</sup> laws and regulations.	1. Compliant with local ES laws and regulations.
2. Policy or code of conduct that addresses bribery and corruption.	2. Policy or code of conduct that addresses bribery and corruption.
3. Environmental policy that addresses key environmental issues at the operation(s)	3. Client has a sourcing policy that describes their environmental, social and governance commitments
4. Environmental management systems in place.	4. The client has a process in place to ensure traceability of their supply chain.
5. Human rights and labour policy / statement on material human rights risk(s).	5. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers.
6. Working conditions in alignment with ILO core conventions in own operations and in supply chain	6. Client has a good track record in terms of health & safety, environmental and social performance.
7. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers.	
8. The client has a process in place to ensure traceability of their supply chain.	
9. Clear and transparent mechanism for communication with stakeholders and affected stakeholders (e.g. smallholders)	
10. Client has a good track record in terms of health & safety, environmental and social performance.	

<sup>1</sup> Environmental and social

<b>Benchmarks</b>	
<b>Processors</b>	<b>Traders</b>
1. Adherence to the World Cocoa Foundation's Cocoa Action Plan	1. Adherence to the World Cocoa Foundation's Cocoa Action Plan
2. Commitment to source a significant portion of the cocoa from sustainable sources ( i.e. certified by UTZ, fair trade) and to source 100% sustainably in 2020.	2. Commitment to leading industry fair trade initiatives (UTZ, etc.)
3. Investments made to improve productivity of suppliers	3. Long-term contracts with cocoa farmers or purchasing a certain percentage of sustainably produced cocoa
4. Long-term contracts with cocoa farmers	4. Comprehensive sustainability report in line with GRI or other industry standard
5. Client strives to deliver social and economic benefits to the community through livelihood or capacity building programs	
6. Monitoring and reduction of (in)direct GHG emissions	
7. Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	
8. Comprehensive sustainability report in line with GRI standards (including human rights reporting)	

## Appendix 2 - Requirements Coffee

<b>Minimum requirements</b>		
<b>Producers</b>	<b>Processors</b>	<b>Traders</b>
1. Compliant with local ES laws and regulations.	1. Compliant with local ES laws and regulations.	1. Compliant with local ES laws and regulations.
2. Policy or code of conduct that addresses bribery and corruption.	2. Policy or code of conduct that addresses bribery and corruption.	2. Policy or code of conduct that addresses bribery and corruption.
3. Environmental policy that addresses key environmental issues at the production site(s)	3. Environmental policy that addresses key environmental issues at the operation(s).	3. Client has a sourcing policy that describes their environmental, social and governance commitments.
4. Environmental management systems in place.	4. Environmental management systems in place.	4. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers.
5. Human rights and labour policy / statement on material human rights risk(s).	5. Human rights and labour policy / statement on material human rights risk(s).	5. Client has a good track record in terms of health & safety, environmental and social performance.
6. Working conditions in alignment with ILO core conventions in own operations and in supply chain.	6. Working conditions in alignment with ILO core conventions in own operations and in supply chain.	
7. Manage input, production and processing efficiencies.	7. Commitment to source from production sites that protect HCV Forest <sup>2</sup> .	
8. Commitment to source from production sites that protect HCV Forest.	8. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers.	
9. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers.	9. Clear and transparent mechanism for communication with stakeholders and affected stakeholders (e.g. smallholders)	
10. Clear and transparent mechanism for communication with NGO's, stakeholders and affected stakeholders (e.g. smallholders), including a complaints mechanism.	10. Client strives to deliver social and economic benefits to the community <sup>3</sup> .	
11. Client strives to deliver social and economic benefits to the community.	11. Client has a good track record in terms of health & safety, environmental and social performance.	

<sup>2</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<sup>3</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<p><b>12.</b> Prior to new operations including land transfer or expansion of existing production site(s):</p> <ul style="list-style-type: none"> <li>&gt; environmental (HCV) and social impact assessments undertaken and mitigation plans in place.</li> <li>&gt; commitment to protect HCS</li> <li>&gt; free, prior and informed consent is obtained, or consultation is undertaken, including a transparent grievance process.</li> </ul>		
<p><b>13.</b> Client has a good track record in terms of health &amp; safety, environmental and social performance.</p>		

<b>Benchmarks</b>		
<b>Producers</b>	<b>Processors</b>	<b>Traders</b>
1. 4C membership.	1. 4C membership.	1. 4C membership.
2. Compliant with 4C entry level standard.	2. Compliant with 4C standard for traceability.	2. Compliant with 4C standard for traceability.
3. Investments made to improve capacity and productivity of suppliers.	3. Client strives to deliver social and economic benefits to the community*.	3. Commitment to purchase sustainability sourced coffee.
4. Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	4. Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	4. Capacity building program for suppliers
5. Monitoring and reduction of (in)direct GHG emissions	5. Capacity building program for suppliers.	5. Comprehensive sustainability report in line with GRI standards (including human rights reporting)
6. Comprehensive sustainability report in line with GRI standards (including human rights reporting)	6. Monitoring and reduction of (in)direct GHG emissions	
	7. Comprehensive sustainability report in line with GRI standards (including human rights reporting)	

## Appendix 3 - Requirements Cotton

<b>Minimum requirements</b>	
<b>Processors</b>	<b>Traders</b>
1. Compliant with local ES laws and regulations	1. Compliant with local ES laws and regulations
2. Policy or code of conduct that addresses bribery and corruption	2. Policy or code of conduct that addresses bribery and corruption
3. Environmental policy that addresses key environmental issues at the operation(s)	3. Client has a sourcing policy that describes their environmental, social and governance commitments
4. Environmental management systems in place	4. Client has process for supplier selection based on E&S criteria and addresses sustainability issues with suppliers
5. Human rights and labour policy / statement on material human rights risk(s)	5. Client has a good track record in terms of health & safety, environmental and social performance.
6. Working conditions in alignment with ILO core conventions in own operations and in supply chain	
7. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers	
8. Clear and transparent mechanism for communication with stakeholders and affected stakeholders (e.g. smallholders)	
9. Client strives to deliver social and economic benefits to the community <sup>4</sup>	
10. Client has a good track record in terms of health & safety, environmental and social performance.	

<b>Benchmarks</b>	
<b>Processors</b>	<b>Traders</b>
1. Member of Better Cotton Initiative (BCI)	1. Member of Better Cotton Initiative (BCI)
2. Commitment to increase the share of sustainably produced cotton	2. Commitment to increase the share of sustainably produced cotton
3. Capacity building program for suppliers	3. Comprehensive sustainability report in line with GRI standards (including human rights reporting)

<sup>4</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<p><b>4.</b> Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil &amp; water pollution.</p>	
<p><b>5.</b> Monitoring and reduction of (in)direct GHG emissions</p>	
<p><b>6.</b> Comprehensive sustainability report in line with GRI standards (including human rights reporting)</p>	



## Appendix 4 - Requirements Forest Commodities

Minimum requirements		
<i>Producers</i>	<i>Processors</i>	<i>Traders</i>
1. Compliant with local ES laws and regulations	1. Compliant with local ES laws and regulations	1. Compliant with local ES laws and regulations
2. Policy or code of conduct that addresses bribery and corruption	2. Policy or code of conduct that addresses bribery and corruption	2. Policy or code of conduct that addresses bribery and corruption
3. FSC or PEFC certification for own production sites and if relevant those of suppliers <sup>5</sup>	3. Sourcing from production sites which are FSC or PEFC certified*	3. Sourcing from production sites which are FSC or PEFC certified*
4. Environmental policy that addresses key environmental issues at the production site(s)	4. Environmental policy that addresses key environmental issues at the operation(s)	4. Client has a sourcing policy that describes their environmental, social & governance commitments
5. Environmental management systems in place in own operations and in supply chain	5. Environmental management systems in place in own operations and in supply chain	5. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers
6. Human rights and labour policy / statement on material human rights risk(s)	6. Human rights and labour policy / statement on material human rights risk(s)	6. Client has a good track record in terms of health & safety, environmental, and social performance.
7. Working conditions in alignment with ILO core conventions in own operations and in supply chain	7. Working conditions in alignment with ILO core conventions in own operations and in supply chain	
8. Implementation of zero burning and fire prevention measures on own production sites and in supply chain	8. Commitment to source from production sites which protect HCV Forest, HCS and peatland <sup>6</sup>	
9. Commitment to source from production sites which protect HCV Forest, HCS and peatland	9. Implementation of zero burning and fire prevention measures in supply chain <sup>7</sup>	
10. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers	10. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers	
11. Clear and transparent mechanism for communication with NGO's, stakeholders and affected stakeholders (e.g. smallholders), including a complaints mechanism.	11. Clear and transparent mechanism for communication with stakeholders and affected stakeholders (e.g. smallholders)	
12. Prior to new operations including land transfer or expansion of existing production site(s): > environmental (HCV) and social impact assessments undertaken and mitigation plans in place. > commitment to protect HCS and peatland > free, prior and informed consent is obtained, or consultation is undertaken,	12. Prior to new operations including land transfer or expansion of existing operations <sup>8</sup> : > environmental (HCV) and social impact assessments undertaken and mitigation plans in place. > commitment to protect HCS and peatland > free, prior and informed consent is obtained, or	

<sup>5</sup> For producers of tropical hardwood, FSC certification is required.

<sup>6</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<sup>7</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<sup>8</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

including a transparent grievance process.	consultation is undertaken, including a transparent grievance process.	
<b>13.</b> Client strives to deliver social and economic benefits to the community	<b>13.</b> Client strives to deliver social and economic benefits to the community <sup>9</sup>	
<b>14.</b> Client has a good track record in terms of health & safety, environmental and social performance	<b>14.</b> Client has a good track record in terms of health & safety, environmental and social performance	

<b>Benchmarks</b>		
<b>Producers</b>	<b>Processors</b>	<b>Traders</b>
<b>1.</b> Monitoring and reduction of (in)direct GHG emissions	<b>1.</b> Monitoring and reduction of (in)direct GHG emissions	<b>1.</b> FSC or PEFC Chain of Custody certification
<b>2.</b> Undertaking HCS assessments for own plantations and that of suppliers	<b>2.</b> FSC or PEFC Chain of Custody certification	<b>2.</b> Commitment to increase the volume processed of certified sustainable forest products
<b>3.</b> Disclosure of concession / production site data	<b>3.</b> Sourcing from suppliers which perform HCS assessments	<b>3.</b> Capacity building program for suppliers
<b>4.</b> Providing transparency in the origin of the commodities upon the plantation / production site level	<b>4.</b> Providing transparency in the origin of the commodities upon the plantation / production site level	<b>4.</b> Comprehensive sustainability report in line with GRI standards (including human rights reporting)
<b>5.</b> Investments made to improve capacity and productivity of suppliers	<b>5.</b> Investments in resource efficiency, such as pollution reduction and recycling	
<b>6.</b> Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	<b>6.</b> Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	
<b>7.</b> Comprehensive sustainability report in line with GRI standards (including human rights reporting)	<b>7.</b> Comprehensive sustainability report in line with GRI standards (including human rights reporting)	
<b>8.</b> Reporting of 'forest footprint' to Carbon Disclosure Project Forests Program	<b>8.</b> Reporting of 'forest footprint' to Carbon Disclosure Project Forests Program	

<sup>9</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

## Appendix 5 - Requirements Palm oil

<b>Minimum requirements</b>		
<b>Producers</b>	<b>Processors</b>	<b>Traders</b>
1. Compliant with local ES laws and regulations	1. Compliant with local ES laws and regulations	1. Compliant with local ES laws and regulations
2. Policy or code of conduct that addresses bribery and corruption	2. Policy or code of conduct that addresses bribery and corruption	2. Policy or code of conduct that addresses bribery and corruption
3. RSPO Membership	3. RSPO Membership	3. RSPO Membership
4. Time-bound plan for RSPO certification for own plantations and the entire supply chain	4. Environmental policy that addresses key environmental issues at the operation(s)	4. Client has a sourcing policy that describes their environmental, social and governance commitments
5. Environmental policy that addresses key environmental issues at the production site(s)	5. Environmental management systems in place	5. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers
6. Environmental management systems in place	6. Human rights and labour policy / statement on material human rights risk(s)	6. Client has a good track record in terms of health & safety, environmental and social performance
7. Human rights and labour policy / statement on material human rights risk(s)	7. Working conditions in alignment with ILO core conventions in own operations and in supply chain	
8. Working conditions in alignment with ILO core conventions in own operations and in supply chain	8. Commitment to source from plantations which protect HCV Forest, HCS and peatland <sup>10</sup>	
9. Implementation of zero burning and fire prevention measures on own plantation and in supply chain	9. Implementation of zero burning and fire prevention measures in supply chain <sup>11</sup>	
10. Commitment to source from plantations which protect HCV Forest, HCS and peatland	10. Client has process for supplier selection based on E&S criteria and addresses sustainability issues with suppliers	
11. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers	11. Clear and transparent mechanism for communication with NGO's, stakeholders and affected stakeholders (e.g. smallholders)	
12. Clear and transparent mechanism for communication with NGO's, stakeholders and affected stakeholders (e.g. smallholders), including a grievance mechanism.	12. Prior to new operations including land transfer or expansion of existing operations <sup>12</sup> : > environmental (HCV) and	

<sup>10</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<sup>11</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<sup>12</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<p><b>13.</b> Prior to new operations including land transfer or expansion of existing production site(s):</p> <ul style="list-style-type: none"> <li>&gt; environmental (HCV) and social impact assessments undertaken and mitigation plans in place.</li> <li>&gt; commitment to protect HCS and peatland</li> <li>&gt; free, prior and informed consent is obtained, or consultation is undertaken, including a transparent grievance process.</li> </ul>	<p>social impact assessments undertaken and mitigation plans in place.</p> <ul style="list-style-type: none"> <li>&gt; commitment to protect HCS and peatland</li> <li>&gt; free, prior and informed consent is obtained, or consultation is undertaken, including a transparent grievance process.</li> </ul>	
<p><b>14.</b> Client strives to deliver social and economic benefits to the community</p>	<p><b>13.</b> Client strives to deliver social and economic benefits to the community<sup>13</sup></p>	
<p><b>15.</b> Client has a good track record in terms of health &amp; safety, environmental and social performance.</p>	<p><b>14.</b> Client has a good track record in terms of health &amp; safety, environmental and social performance.</p>	

<b>Benchmarks</b>		
<b>Producers</b>	<b>Processors</b>	<b>Traders</b>
1. Monitoring and reduction of (in)direct GHG emissions	1. Monitoring and reduction of (in)direct GHG emissions	1. A goal of sourcing 100% RSPO certified palm oil over time
2. Time-bound plans for RSPO certification completed for own plantations and supply chains by 2020	2. A goal of sourcing 100% RSPO certified palm oil	2. Zero deforestation, zero peat-burning policy for suppliers
3. Undertaking HCS assessments for own plantations and that of suppliers	3. Commitment to source from production sites which protect HCV Forest, HCS and peatland	3. Providing transparency in the origin of the palm oil upon the plantation level
4. Disclosure of concession data	4. Sourcing from suppliers which perform HCS assessments	4. Comprehensive sustainability report in line with GRI standards (including human rights reporting)
5. Providing transparency in the origin of the palm oil upon the plantation level	5. Providing transparency in the origin of the palm oil upon the plantation level	
6. Restoration of degraded land and expansion on low carbon stock land	6. Comprehensive sustainability report in line with GRI standards (including human rights reporting)	
7. Technical support and capacity building, investments where relevant to support small-holder inclusion.	7. Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	

<sup>13</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<p><b>8.</b> Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil &amp; water pollution.</p>		
<p><b>9.</b> Comprehensive sustainability report in line with GRI standards (including human rights reporting)</p>		

## Appendix 6 - Requirements Soy

Minimum requirements		
<i>Producers</i>	<i>Processors</i>	<i>Traders</i>
1. Compliant with local ES laws and regulations	1. Compliant with local ES laws and regulations	1. Compliant with local ES laws and regulations
2. Policy or code of conduct that addresses bribery and corruption	2. Policy or code of conduct that addresses bribery and corruption	2. Policy or code of conduct that addresses bribery and corruption
3. Environmental policy that addresses key environmental issues at the production site(s)	3. Environmental policy that addresses key environmental issues at the operation(s)	3. Client has a sourcing policy that describes their environmental, social and governance commitments
4. Environmental management systems in place	4. Environmental management systems in place	4. Client has process for supplier selection based on E&S criteria and addresses sustainability issues with suppliers
5. Human rights and labour policy / statement on material human rights risk(s)	5. Human rights and labour policy / statement on material human rights risk(s)	5. Client has a good track record in terms of health & safety, environmental and social performance
6. Working conditions in alignment with ILO core conventions in own operations and in supply chain	6. Working conditions in alignment with ILO core conventions in own operations and in supply chain	
7. Commitment to source from production sites that protect HCV Forest	7. Commitment to source from production sites that protect HCV Forest <sup>14</sup>	
8. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers	8. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers	
9. Clear and transparent mechanism for communication with NGO's, stakeholders and affected stakeholders (e.g. smallholders), including a complaints mechanism.	9. Clear and transparent mechanism for communication with stakeholders and affected stakeholders (e.g. smallholders)	
10. Client strives to deliver social and economic benefits to the community	10. Client strives to deliver social and economic benefits to the community <sup>15</sup>	
11. Prior to new operations including land transfer or expansion of existing production site(s): > environmental (HCV) and social impact assessments undertaken and mitigation plans in place. > commitment to protect HCS > free, prior and informed consent is obtained, or consultation is undertaken, including a transparent	11. Prior to new operations including land transfer or expansion of existing operations <sup>16</sup> : > environmental (HCV) and social impact assessments undertaken and mitigation plans in place. > commitment to protect HCS > free, prior and informed consent is obtained, or consultation is undertaken, including a transparent grievance process.	

<sup>14</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<sup>15</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<sup>16</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

grievance process.		
12. Client has a good track record in terms of health & safety, environmental and social performance	12. Client has a good track record in terms of health & safety, environmental and social performance	

<b>Benchmarks</b>		
<b>Producers</b>	<b>Processors</b>	<b>Traders</b>
1. Round Table on Sustainable Soy (RTRS) membership	1. Round Table on Sustainable Soy (RTRS) membership	1. Round Table on Sustainable Soy (RTRS) membership
2. Compliance with the RTRS production standard	2. Compliance with the RTRS chain of custody standard	2. Compliance with the RTRS chain of custody standard
3. Commitment to increase the production volume of RTRS certified sustainable soy	3. Commitment to increase the production volume of RTRS certified sustainable soy	3. Commitment to increase the production volume of RTRS certified sustainable soy
4. Commitment to full traceability of soy supply chain	4. Commitment to full traceability of soy supply chain	4. Commitment to full traceability of soy supply chain
5. Investments made to improve capacity and productivity of suppliers	5. Investments made to improve capacity and productivity of suppliers	5. Investments made to improve capacity and productivity of suppliers
6. Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	6. Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	6. Comprehensive sustainability report in line with GRI standards (including human rights reporting)
7. Monitoring and reduction of (in)direct GHG emissions	7. Monitoring and reduction of (in)direct GHG emissions	
8. Comprehensive sustainability report in line with GRI standards (including human rights reporting)	8. Comprehensive sustainability report in line with GRI standards (including human rights reporting)	

## Appendix 7 - Requirements Sugar Cane

Minimum requirements		
<i>Producers</i>	<i>Processors (mills)</i>	<i>Traders</i>
1. Compliant with local ES laws and regulations	1. Compliant with local ES laws and regulations	1. Compliant with local ES laws and regulations
2. Policy or code of conduct that addresses bribery and corruption	2. Policy or code of conduct that addresses bribery and corruption	2. Policy or code of conduct that addresses bribery and corruption
3. Environmental policy that addresses key environmental issues at the production site(s)	3. Environmental policy that addresses key environmental issues at the operation(s)	3. Client has a sourcing policy that describes their environmental, social and governance commitments
4. Environmental management systems in place	4. Environmental management systems in place	4. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers
5. Human rights and labour policy / statement on material human rights risk(s)	5. Human rights and labour policy / statement on material human rights risk(s)	5. Client has a good track record in terms of health & safety, environmental and social performance.
6. Working conditions in alignment with ILO core conventions in own operations and in supply chain	6. Working conditions in alignment with ILO core conventions in own operations and in supply chain	
7. Commitment to source from production sites that protect HCV Forest	7. Commitment to source from production sites that protect HCV Forest <sup>17</sup>	
8. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers	8. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers	
9. Clear and transparent mechanism for communication with NGO's, stakeholders and affected stakeholders (e.g. smallholders), including a complaints mechanism.	9. Clear and transparent mechanism for communication with stakeholders and affected stakeholders (e.g. smallholders)	
10. Client strives to deliver social and economic benefits to the community	10. Client strives to deliver social and economic benefits to the community <sup>18</sup>	
11. Prior to new operations including land transfer or expansion of existing production site(s): > environmental (HCV) and social impact assessments undertaken and mitigation plans in place. > commitment to protect HCS > free, prior and informed consent is obtained, or consultation is undertaken,	11. Prior to new operations including land transfer or expansion of existing operations <sup>19</sup> : > environmental (HCV) and social impact assessments undertaken and mitigation plans in place. > commitment to protect HCS > free, prior and informed consent is obtained, or consultation is undertaken,	

<sup>17</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<sup>18</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

<sup>19</sup> Only applicable to processors at origin or processors sourcing directly from the origin.



including a transparent grievance process.	including a transparent grievance process.	
12. Manage input, production and processing efficiencies	12. Client has a good track record in terms of health & safety, environmental and social performance.	
13. Client has a good track record in terms of health & safety, environmental and social performance.		

<b>Benchmarks</b>		
<b>Producers</b>	<b>Processors (mills)</b>	<b>Traders</b>
1. Bonsucro membership	1. Bonsucro membership	1. Bonsucro membership
2. Time-bound plan for Bonsucro certification.	2. Compliance with Bonsucro standard for mills/processors.	2. Compliance with to chain of custody standards of Bonsucro.
3. Monitoring and reduction of (in)direct GHG emissions	3. Monitoring and reduction of (in)direct GHG emissions	3. Commitment to increase volume of certified sustainable sugar.
4. Technical support and capacity building, investments where relevant to support small-holder inclusion.	4. Implementation of zero burning and fire prevention measures in supply chain	4. Capacity building program for suppliers (small holders).
5. Implementation of zero burning and fire prevention measures on own plantation and in supply chain.	5. Capacity building program for suppliers (small holders).	5. Comprehensive sustainability report in line with GRI standards (including human rights reporting)
6. Restoration of degraded land and expansion on low carbon stock land.	6. Commitment to source from production sites that protect HCV Forest	
7. Best practices regarding sugarcane cutting procedures applied to improve health and safety conditions.	7. Commitment to increase volume of certified sustainable sugar.	
8. Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	8. Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	
9. Comprehensive sustainability report in line with GRI standards (including human rights reporting)	9. Comprehensive sustainability report in line with GRI standards (including human rights reporting)	

## Appendix 8 - Requirements other 'non-sensitive' Agri-commodities

Minimum requirements		
<i>Producers</i>	<i>Processors</i>	<i>Traders</i>
1. Compliant with local Environmental and Social laws and regulations	1. Compliant with local Environmental and Social laws and regulations	1. Compliant with local Environmental and Social laws and regulations
2. Participation in relevant sustainability industry association or standards body	2. Participation in relevant sustainability industry association or standards body	2. Participation in relevant sustainability industry association or standards body
3. Environmental policy that addresses key environmental issues at the production site(s)	3. Environmental policy that addresses key environmental issues at the operation(s)	3. Client has a sourcing policy that describes their environmental, social and governance commitments <sup>20</sup>
4. Environmental management systems in place	4. Environmental management systems in place	4. Client has a process for supplier selection based on E&S criteria and addresses sustainability issues with suppliers
5. Human rights and labour policy / statement on material human rights risk(s)	5. Human rights and labour policy / statement on material human rights risk(s) <sup>21</sup>	5. Client has a good track record in terms of health & safety, environmental and social performance
6. Working conditions in alignment with ILO core conventions	6. Working conditions in alignment with ILO core conventions	
7. Clear and transparent mechanism for communication with NGO's, stakeholders and affected stakeholders	7. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers	
8. Client has process for supplier selection based on ES criteria and addresses sustainability issues with suppliers	8. Client has a good track record in terms of health & safety, environmental and social performance	
9. Prior to new operations including land transfer or expansion of existing production site(s): > environmental and social impact assessments undertaken, including High Conservation Value (HCV) Forest assessment, and mitigation plans in place > commitment to protect High Carbon Stock (HCS) > free, prior and informed consent is obtained, or consultation is undertaken, including a transparent grievance process.		

<sup>20</sup> Only applicable to traders sourcing directly from the origin.

<sup>21</sup> Only applicable to processors at origin or processors sourcing directly from the origin.

10. Client has a good track record in terms of health & safety, environmental and social performance		
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<b>Benchmarks</b>		
<b>Producers</b>	<b>Processors</b>	<b>Traders</b>
1. Commitment to continuous improvement of environmental and social performance	1. Commitment to continuous improvement of environmental and social performance	1. Uses or is committed to using certification in its supply chain
2. Uses or is committed to using certification in its supply chain	2. Uses or is committed to using certification in its supply chain	2. Third party verification (audit) of suppliers
3. Monitoring and reduction of (in)direct GHG emissions	3. Monitoring and reduction of (in)direct GHG emissions	3. Client has a sourcing policy that describes their environmental, social and governance commitments
4. Client strives to deliver social and economic benefits to the community	4. Clear and transparent mechanism for communication with stakeholders and affected stakeholders	4. Client monitors their suppliers ES performance over time
5. Facilitate the inclusion of communities, small holders or other relevant groups	5. Client strives to deliver social and economic benefits to the community	5. Client strives to deliver social and economic benefits to the community
6. Provision of technical and other assistance to key suppliers to enhance their ESG performance.	6. Provision of technical and other assistance to key suppliers to enhance their ESG performance.	6. Comprehensive sustainability report in line with GRI or other industry standard
7. Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	7. Continuous improvement of environmental performance and resource efficiency, incl. pesticide minimisation, water efficiency, prevention of air, soil & water pollution.	
8. Comprehensive sustainability report in line with GRI standards (including human rights reporting)	8. Comprehensive sustainability report in line with GRI standards (including human rights reporting)	