



Responsible Operating Principles

Updated August 2017

IOI Loders Croklaan

*Let's create
together*



IOI GROUP

Scope

As one of the world's leading producers of premium quality oils and fats, IOI Loders Croklaan Group uses its leadership to tackle the complex social, economic and environmental challenges in our supply chains.

We take responsibility by building traceable, transparent and sustainable raw material supply chains following our Responsible Operating Principles. The principles apply to all individual IOI Loders Croklaan entities globally and third party suppliers.

We expect all our business partners to comply with the provisions in this document and, when involved in the production of Palm and/or Shea to comply with our Sustainable Palm Oil Policy and/or Sustainable Shea Sourcing Practices.



Responsible Operating Principles

1. Code of Conduct
2. Sustainable Sourcing Practices
 - 2a. Sustainable Palm Oil Policy
 - 2b. Sustainable Shea Sourcing Practices
3. Responsible Use of Resources
4. Social Responsibility
5. Governance



1. Code of Business Conduct & Ethics

- o The IOI Loders Croklaan Global Code of Conduct can be found at: ioiloders.com
- o The IOI Loders Croklaan Global Code of Conduct is based on the IOI Group Code of Business Conduct & Ethics
- o The IOI Loders Croklaan Global Code of Conduct was first communicated and published in April 2014



4. Social Responsibility (1/3)

1. Human and Worker Rights

- o We support and respect the protection of human and worker rights in accordance with the *Universal Declaration of Human Rights* and the *International Labor Organization's fundamental conventions*. We uphold the freedom of association and the effective recognition of the right to collective bargaining. We eliminate all forms of forced and compulsory labor, we refrain from child labor and we eliminate discrimination in respect of employment and occupation.
- o We expect our business partners to do the same and, when involved in the production of palm oil, to comply with the RSPO Principles & Criteria and our 'Sustainable Palm Oil Policy'.



4. Social responsibility (2/3)

2. Talent Management

We are committed to the success and **development of our employees** and believe that our employees can and will make a difference. We provide an environment which fosters the collaborative development of responsible leaders.

Activities to support employee development:

- Selection and promotion processes supported by assessments
- Organizational and succession planning – regional and global
- Personal development plan for all employees
 - Open two-way dialogue between managers and employees
- Individual development planning
 - Coaching & Mentoring
 - Special projects – regional and global
 - Longer term global assignments
 - Job shadowing and rotation
 - Outside training courses
 - University tuition reimbursement



5. Governance

Our progress is reported via:

- Progress updates (quarterly)
- Sustainability Report (annually)
- Sustainable Implementation Plan (quarterly)
- Traceability updates (quarterly)
- Carbon disclosure report (scope 1 & 2) (annually)

Monitoring is governed via:

- Sustainable palm Oil Sourcing Committee (governance of sustainable sourcing practices) (quarterly meetings)
- Talent management Review (Committee: CEO IOI and CEO IOI-LC, COOs & global HR) (annually)
- Intercompany benchmarking of our plants and set targets for best practice (annually)
- Employee engagement survey (HR) (annually)

Memberships, participations and certification bodies:

- RSPO
- ISCC
- SEDEX
- ISO
- FSCC

