

TOUTON

Labour Rights Policy

November 2024

As a supply-chain actor sourcing tropical commodities from many regions, we recognise that the success of our commercial activity depends on the consistency and balance between the group's resources, its business model, its development ambitions, and its social and environmental impact.

In line with our corporate due diligence processes we regularly review our risks across our supply chains and operations. This in turn informs our group commitments and policies as well as our programming priorities.

Our corporate sustainability strategy is called PACT, the Positive Agri Culture by Touton. It is developed with our Management Team and endorsed by Touton's Board of Directors.

It aims to promote a resilient Agri-Industry built on a Culture of Trust and Positive Growth. Our strategy is embedded in our management systems and processes and is operationalised through our various programmes, including our PACT STANDARD.

Our commitment to protecting workers' rights

At the heart of our entrepreneurial DNA lies a profound conviction: to cultivate and value talent, while guaranteeing safe working environments conducive to professional fulfilment. We maintain our commitment through innovative and collaborative initiatives, to promote the progression of skills and careers, to ensure the safety and well-being of our teams, and to accelerate the development of the producers' communities we partner with.

We are committed to providing a safe and dignified working environment to our staff and to our partners in our supply chains.

We comply with laws and regulations on labour rights and often exceed local, national and international guidelines and requirements and require that our suppliers act a minima in accordance with these.

Our Labour Rights Policy is supported by other codes and policies as well as our programming activities in our supply chains:

- [Touton PACT Strategy](#)
- Touton Code of Ethics
- Touton Supplier Code of Conduct
- Touton group Grievance Mechanism
- Thematic and Product specific Policies
- Due diligence policies

Salient Labour Rights Issues

As a supply-chain actor primarily engaged in the sourcing of raw tropical commodities from a vast number of smallholder farmers, our labour rights commitments cross-over with our human rights commitments.

As such we promote the fundamental rights of workers as enshrined in the International Labour Organisation (ILO) Conventions, including:

- Freedom of Association (ILO No. 87)
- Right for collective bargaining (ILO No. 98)
- Equal Opportunity & Non-Discrimination (ILO No. 100 and 111)
- Health and Safety (ILO No. 155)
- Working conditions (ILO No. 1 and 30)
- Protecting the Rights of people and communities (ILO No 143 and 169)

Our duty to respect these rights is embedded in our Touton Employee on-boarding process, our Code of Ethics.

Our corporate risk mapping exercise¹ includes the likelihood and severity of potential adverse impacts on workers' rights linked to our direct or indirect operations.

Our most salient labour risks are linked to safe and decent working conditions, empowering producers and their communities, and retaining the best talents.

1) Providing safe and decent working conditions

We are committed to *providing a safe and inspiring working environment*, encouraging individual fulfilment and active contribution to our collective success. We continuously work on strengthening our workplace safety measures, be it in our Headquarters, or in our subsidiaries. We have dedicated employee representatives for health, safety and anti-harassment issues within our Social and Economic Committee.

In the communities from which we source products we provide training and coaching on safe work practices and facilitate access to protective equipment and safe inputs.

We commit to comply with all applicable local laws on labour and social rights, including minimum wage, working hours, overtime and benefits.

Where we do not have a direct link with farmers, we require our suppliers to provide a safe and hygienic working environment, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps should be taken to prevent accidents, fires and injuries arising out of, associated with, or occurring in, the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

¹ See p. 117 of our [2023-2024 Sustainability Report](#)

Our commitment to equal opportunities & non-discrimination

We commit to provide equal employment opportunities and ensure no discrimination in hiring and employment practices with regards to race, ethnicity, religion, gender, age, disability, political opinion, etc.

In our own operations, our Human Resources processes and achievements are benchmarked yearly against industry averages, notably in terms of Gender Equality. We promote fair and inclusive labour practices in our direct operations and with our partners in sourcing countries.

Our commitment is embedded in our Code of Ethics that provides for a mechanism to ensure we act in full respect of human rights and national regulations in countries where we source our products. Each group company is responsible for implementing this Code, subject to the constraints and specifics of its activity or geographical location. The Code must be incorporated into the rules of procedure in each company and displayed on the premises. Compliance with, and application of the rules contained in the Code, are binding on all employees. In the event of non-compliance with the Code, disciplinary sanctions may be imposed by the Managers of the company concerned or the group's General Management.

Protecting children and adults from abusive labour practices

Touton is against all forms of human exploitation and is firmly committed to contributing to the removal of child labour from its agricultural supply chains. We are working with communities we source from, our industry peers and civil society, wherever possible under the leadership of governments, to help address Child Labour and Forced Adult Labour.

In addition to embedding awareness raising and sensitisation in our sustainability operations, we implement programmes that increase access to quality education and communities' economic resilience.

Our Grievance Mechanism offers a channel for employees and third parties alike to anonymously report wrongdoings or suspicion of wrongdoings in our operations and supply chain activities.

2) Empowering Producers

To help empower sourcing communities, we support the implementation of a range of activities, all adapted and relevant to local needs and the reality of each supply chain.

Where possible, we create long-lasting relationships with product-growing communities and farmer groups with whom we engage for long-term sustainability programmes.

When negotiating contractual terms with customers, we do our utmost to ensure farmers and workers are compensated for their sustainability efforts and do not bear the cost of compliance of producer countries' requirements.

For example, we support the establishment of Farmer Protection Committees (FPCs) and Cooperative Protection Committees (CCPCs), which enable farmers to make collective decisions and defend their common interests. We encourage the emergence of groups of *agripreneurs* within these communities, providing them with the skills, resources and support they need to build and develop successful sustainable farming businesses.

By implementing these initiatives, we strive to create an environment conducive to the socio-economic development of cocoa, coffee and ingredients producing communities while reinforcing our commitment to sustainability and social responsibility.

Where we do not have a direct link with farmers, we ask our suppliers to grant their employees and workers the right to Freedom of Association and the effective recognition of the right to collective bargaining.

Compliance with local working time and/or overtime regulations must be upheld and suppliers are required to pay staff (employees and workers including migrant, seasonal and other contract labour) fair wages and benefits in compliance with local laws and the local labour market.

3) Growing and retaining Talent in our operations

Attracting, developing and retaining the best talent is key to the success of our activities. We work across many regions and cultures and welcome diversity in our workforce.

We place a great emphasis on providing the room for talents to grow and evolve in our group. We offer training curricula ranging from business skills and logistics training all the way to first aid refreshers. Our geographical spread allows us to provide interested staff with work experience abroad, providing them with a first-hand experience of the countries where we source our commodities.

Due diligence procedures

Our risk assessment, prevention, mitigation and remediation activities are aligned with the OECD guidelines for responsible business conduct and the United Nations Guiding Principles for enterprises.

Touton has implemented due diligence processes and operational practices and procedures to identify, prevent and mitigate risk on labour and human rights. This includes risk assessment, verification and audits.

We take measure to remediate any violation of labour rights identified and expect our suppliers to adopt the same approach within their supply chain as required in our Supplier Code of Conduct.

Reporting on our progress and challenges

Over the years, Touton has invested considerably in strengthening its sustainability, compliance, and monitoring and evaluation teams at group level, or within its country subsidiaries. This allows us to build specific tools for the collection, analysis and verification of the data and analysis we use internally and informs our decisions and services externally.

We actively engage in national and sectorial initiatives to exchange on best practices to address labour risks in our supply chains and report progress and challenges through different channels. We proudly engage with the International Labour Organisation, the United Nations Global Compact and the International Cocoa Initiative.

Our Annual Sustainability Report provides a detailed presentation of our labour rights protection activities in our own operations and in our responsible sourcing programmes and includes an overview of progress against non-financial performance indicators which are audited and validated by an independent third-party body accredited by the French COFRAC².

"Touton continuously evaluates and improves its own policies and practices to conduct its business in an ethical and responsible manner and in compliance with all applicable laws and regulations. We therefore reserve our right to review this policy from time to time. Touton will inform you of revised versions of this policy in a timely manner."

² See pp. 72-85 and 89-96 of our latest Sustainability Report