



Palm Oil Sourcing Policy

1. Introduction

Bunge is an active participant in the palm oil supply chain, though we do not operate any palm oil plantations or mills. Additionally, we are an active supporter of the Palm Oil Collaboration Group and the [Roundtable on Sustainable Palm Oil \(RSPO\)](#) and will work to strengthen the RSPO standard and its enforcement.

Palm oil is the most widely used vegetable oil in the world, and as the global population increases to 9 billion by 2050, it is well positioned to remain a crucial part of the food production process. Palm oil production has the highest oil yield per hectare and provides a livelihood for millions of people in tropical agricultural communities around the world.

Bunge believes in the power of agricultural supply chains to positively contribute to environmentally sustainable and economically beneficial practices that aim to support local communities. Bunge also believes that sustainable palm oil should be produced in a manner that is legally compliant and traceable, that protects forests and biodiversity, reduces greenhouse gas (GHG) emissions, and respects the rights of indigenous peoples, workers, and local communities.

2. Scope

This Policy applies to all physical palm oil and derivatives that Bunge sources and processes including our subsidiaries and joint ventures in which we have management control, via existing and new suppliers.

This Policy should be viewed in conjunction with Bunge's [Supplier Code of Conduct](#) which applies to all commodity and non-commodity suppliers to help them understand our principles. We expect all our suppliers of palm oil products, including at the supplier group level, to adhere to the commitments in this policy.

3. Commitments

Bunge aims to source palm oil from suppliers whose supply chains meet the following principles:

Legal Compliance

- Compliance with all applicable local and national laws.

Environmental Management

- Bunge is committed to a deforestation and peat conversion free palm supply chain. To report our progress, Bunge will apply the NDPE Implementation Reporting Framework (IRF) methodology. NDPE IRF applies a deforestation and conversion free cut-off date of 31st December 2015.
- Identification and protection of High Conservation Value (HCV)¹ areas and High Carbon Stock (HCS)² areas within existing and new plantation developments.

¹ High Conservation Value (HCV) as defined by the HCV Network

² High Carbon Stock (HCS) forests as defined by the HCS Approach



- No new development on peat lands regardless of depth, and use of [RSPO Manual on Best Management Practices for Existing Oil Palm Cultivation on Peat](#). Where areas are identified as unsuitable for oil palm replanting, based on drainability assessments or other reasons, plans will be developed for the appropriate management of such areas, which could include rehabilitation.
- Enforcement of a no-burning policy for any form of land preparation.
- Implementation of programs to progressively reduce greenhouse gas (GHG) emission, recycle/reuse palm biomass and, where feasible, generate renewable energy by methane capture as part of our long-term sustainability goals.

No Exploitation

- Acknowledgement of Bunge's [Supplier Code of Conduct](#) and [Human Rights Policy](#) which describes our expectations to respect human and labor rights.
- Prevent and mitigate all forms of illegal, forced, indentured, bonded, compulsory or child labor in line with the ILO Fundamental Principles and Rights at Work (FPRW), and, in particular, implement responsible and ethical recruitment practices, including not charging recruitment related or associated fees at any stage in the recruitment process, including by agents or their sub-agents in receiving and sending countries. Where recruitment fees are found to be charged or collected from workers, appropriate remediation of such fees shall be conducted, in line with best available methodologies or where applicable, in consultation with subject matter experts.
- Provide fair and equal employment opportunities for all employees, regardless of race, nationality, religion, or gender.
- Pay wages that meet the statutory monthly minimum wage. Any overtime work is performed willingly by workers and with appropriate compensation.
- Uphold the right to freedom of association and recognize the right to collective bargaining. Allow trade unions to have access to workers. Ensure employees have access to credible grievance mechanisms that respect anonymity of complainants and whistle-blowers.
- Promote a safe and healthy working and living environment that is free of harassment and work to provide employees with access to credible grievance mechanisms that respect anonymity of complainants and whistle-blowers.
- Prohibit any forms of threats, intimidation, or attacks against human rights defenders, and are mindful certain groups, including women and children, may be particularly vulnerable to negative human rights impacts in the locations where they operate.
- Provide adequate equipment and training on the implementation of health and safety policies.
- No retention of workers' passports/identity documents or withholding of workers' wages other than what is prescribed by law.
- Provide all employees in writing, in a language they understand/native language, their job description, rate of pay, working hours, weekly rest day and other applicable benefits.
- Respect the land tenure rights of indigenous and local communities, including their right to give or withhold their Free, Prior and Informed Consent (FPIC) to operations on land over which they hold legal, communal or customary rights in accordance with the [United Nations Declaration on the Rights of Indigenous Peoples \(UNDRIP\)](#) and the Social Requirements for Conserving High Carbon Stock Forests.



- No use of Paraquat and pesticides that are categorized as World Health Organization Class 1A or 1B, and chemicals listed under the Stockholm Convention and Rotterdam Convention.
- Support the inclusion of smallholders in the palm oil supply chain.
- Drive positive socio-economic impact for local communities, as well as respect and contribute to the quality of life and wellbeing of the communities affected by the suppliers operations.

4. Traceable Supply Chains

Bunge's goal is that all volumes of palm oil and palm kernel oil will be traceable (to mills, plantations or district level) to enable Bunge to claim deforestation free supplies. The status and progress are reported via Bunge's [Palm Oil Dashboard](#).

5. Implementation

In line with continuous improvement, and in consultation with our suppliers and other stakeholders, we will review, adjust, and improve our approach, and will strive to implement leading sustainability standards and higher levels of transparency and stakeholder engagement. To enable effective implementation, we will work in collaboration with our suppliers and other stakeholders to execute our Palm Oil Sourcing Policy, and we will publicly report on implementation progress in our annual sustainability reports, among other channels.

We will risk assess palm oil supplier mills using tools such as the spatial data and remote sensing information made available by various organizations such as the World Resource Institute's (WRI) Global Forest Watch (GFW) platform or similar platforms. Together with stakeholder alerts, which can include human rights risk alerts, we may establish priorities for conducting mill-level verification assessments. To effectively mitigate risks, Bunge aims to verify supplier's compliance against our Policy commitments, including from operations from which Bunge does not currently source.

We will actively promote and support the transformation of the palm oil supply chain through a process of supplier engagement. We will continue to engage with key suppliers to promote our policy commitments and build capacity of mills and supplier companies to support compliance. If suppliers fail to engage with Bunge in this process or fail to materially remediate any such non-compliance within a reasonable or agreed-upon timeframe, we reserve the right to end our relationship.

Addressing Policy Compliance in our Supply Base of Mills

Bunge will take the following actions to support policy compliance and aims to identify any potential breaches of compliance in the supply base of mills in our supply chain:

- Obtain, verify and publish an up-to-date list of all mills and refineries in its supply chain, including geo-referenced coordinates, controlling group/parent company (majority shareholder) and whether it is a "direct supply" or "indirect supply" (via named trading partners).
- Conduct a proactive mill risk assessment for all mills in our supply chain (direct and indirect supply).
- For mills in our direct supply chain, we will continue to implement our program of engagement visits, reinforced by company-level engagement and mill workshops, according to our established three-step approach.



- For mills in our indirect supply chain, we will engage with each of our trading partners in order to ensure that an equivalent program of mill-level engagement is being implemented.
- Where policy non-compliance is identified at mill-level, Bunge will initiate the mechanisms detailed below in Section 7.

Addressing Policy Compliance in Suppliers' Wider Operations

Bunge will take the following actions to identify potential non-compliance by companies in our supply chain at group-level:

- Identify, publish and maintain a complete list of companies in our supply chain on Bunge's Palm Oil Dashboard.
- Conduct group-level risk reviews of all supplier companies. This will include requesting all companies in our supply chain to provide permits, legal licenses and concession maps (in shapefile format and where legally possible) for their entire operations, as well as environmental impact assessments and HCS and HCV studies where available. Relevant sources of information may include:
 - Company concession maps
 - HCS, HCV and environmental impact assessments
 - Government maps, including peat, forest cover and moratorium area
 - RSPO complaints
 - Other traders' active grievance procedure
 - Reports, investigations and publications by civil society organizations
 - Third-party mapping websites, including Global Forest Watch
 - Articles in media
 - Government action (e.g. investigations or court proceedings related to illegality, corruption and in response to forest fires)
 - Regularly update these evaluations of all companies, and pro-actively seek and update best-available data

Where policy non-compliance is identified in suppliers' operations outside of our supply chain, Bunge will initiate the mechanisms detailed below in Section 7. The results of these group level risk reviews, including the level of information provided by supplier companies, will be used to actively inform purchasing decisions. Where supplier companies do not provide specific information that has been requested in relation to their operations, Bunge will initiate the grievance mechanism.

Ensuring Policy Compliance by Potential New Suppliers

All new suppliers (direct supply) are expected to comply with Bunge's Sustainable Palm Oil Policy and to be transparent about their operations. Prior to receiving deliveries of palm oil products originating from potential new suppliers (including via trading partners), Bunge will implement the following due diligence measures:

- Provide the potential supplier with a copy of Bunge's Sustainable Palm Oil Policy and advise them of Bunge's requirements for (third-party) suppliers.
- Conduct a group-level risk review to determine if the company's operations have the potential to involve non-compliance with our policy. This will include a review of the potential supplier's



feedback on Bunge's policy commitments and our request for relevant permits, legal licenses and concession maps (in shapefile format and where legally possible) for the potential supplier's entire operations, as well as environmental impact assessments and HCS and HCV studies.

- Undertake a gap analysis to identify what materials are missing, inadequate or unclear, and request additional material from the potential supplier.
- Fact-check claims by seeking publicly available information, including information lodged with government agencies, satellite mapping information (e.g. through Global Forest Watch), RSPO complaints and information available online.

Where potential new suppliers have undertaken plantation development that is incompatible with this Policy, appropriate conservation / restoration / compensation measures and an implementation plan will need to be agreed prior to Bunge entering into contracts to receive oil originating from that supplier. Where evaluation has been delegated to trading partners (indirect supply), Bunge will request its trading partners to observe similar due diligence measures and provide its findings to Bunge prior to shipping oil from potential new suppliers to Bunge or its subsidiaries.

6. Transparency

We are committed to the following:

- Maintaining a public reporting system (Company dashboard) to communicate traceability information, progress on goals and activities, grievance cases, and updates on suppliers' engagement and verification.
- Resolving complaints and conflicts within our supply chain and effectively and responsibly via a credible, accessible, and transparent grievance process.

7. Addressing Non-Compliance

The identification and tracking of breaches of our policy by both direct and indirect supplier mills, as well as group-level non-compliance, will be subject to oversight by Bunge's Grievance Committee. This committee will have full visibility of the details of any breaches and their status, including any non-compliance with Time Bound Action Plans (TBAP). The committee will convene regularly, although members will have access to updates at any time.

8. Addressing Grievance / Concerns

We encourage stakeholders to report potential non-conformances via our grievance channels, including Bunge's [Ethics and Compliance Helpline](#) and specific supply chain grievance channels.

Where a mill or company group in our supply chain is subject to findings or allegations of non-compliance, Bunge will engage with the supplier (for indirect supply, through the relevant trading partner) to agree to a time-bound action plan and/or initiate our grievance mechanism.

When we initiate our established grievance protocol, we will:

- Investigate claims and, where appropriate, seek independent verification.
- Issue a requirement to immediately cease the development where clearing of potential HCS, HCV or peat is detected and validated by Bunge, its implementation partners, or NGOs. If a supplier



does not comply with Bunge’s direction to cease clearing, we reserve our right to end our relationship.

- Engage with the supplier (where appropriate, through the relevant trading partner).
- Agree to a time-bound action plan for the mill or company group to bring its operations into compliance within 12 months.
- Where a mill or company group is suspected of serious or ongoing environmental, social, and labor violations, Bunge shall consider suspending purchases or refrain from onboarding the group until the investigations are concluded and any policy violations resolved.
- Require the company to commit and establish plans for appropriate conservation / compensation / restoration measures where applicable, to adequately address all non-compliant activities since 31st December 2015.
- Maintain reporting of all mills/companies subject to the grievance procedure on our website and provide regular updates on progress, including milestones and a clear deadline for compliance.

For more information on palm oil grievance, see our [Grievance Process Flow](#).

9. Version History

Version	Date	Description of Change	Owner
2	July 2, 2025	Replaces November 2018 version	Sustainability