
Yihai Kerry Arawana Holdings Co., Ltd.

Sustainable Sourcing Policy

Yihai Kerry Arawana Holdings Co., Ltd. (hereinafter referred to as “the Company”) cares about the impact of the whole life cycle of products on the environment, society and economy, and recognizes the importance of sustainable sourcing to promote social sustainability. The Sustainable Purchasing Policy (hereinafter referred to as the “Policy”) formulated by the Company sets forth the requirements and working methods to be followed by the Company and its upstream supply chain. The Company will continue to promote sustainable sourcing to ensure a sustainable long-term supply of products, reduce product supply risks, and work with our stakeholders to achieve the SDGs on environment, social responsibility and corporate governance.

1. Scope of Application

This Policy is a disclosure statement applicable to the Company's sourcing team, suppliers of all classes (and all their affiliates), service providers of all classes, and farms and plantations.

2. Principles

2.1 Basic Principles

Each party must comply with all applicable laws, regulations and statutory obligations in its place of business, as well as other applicable requirements under Supplier Code of Conduct, Code of Business Ethics and Anti-Corruption Policy signed with the Group.

The Company shall prevent bias in all sourcing decisions, all suppliers including local suppliers, small and medium organizations (SMOs) shall compete with each other on a full and fair basis, and respect the rights and interests of stakeholders affected by sourcing activities.

The Company upholds No Deforestation, No Peat, No Exploitation (NDPE) Policy, encourages sustainable sourcing practices and continuous improvement, and hopes that all parties seek solutions to achieve their SDGs and innovate sourcing practices to achieve more sustainable outcomes across the supply chain.

2.2 Palm Oil Sourcing

The Company is committed to transparent, traceable and sustainable palm oil sourcing, and encourages palm oil suppliers and plantations to adopt the best practices for sustainable palm oil, including but not limited to: no deforestation of high conservation value (HCV) or high carbon storage (HCS) forests, no new development on peatlands, no preparation or clearing of land by fire, compliance with the adoption of international standards of human rights policies and protection measures, and application of transparency principle on traceability and management of the palm oil supply chain. Refer to the Responsible Palm Oil Sourcing Policy for more.

2.3 Soybean Sourcing

The Company advocates sustainable soy farming and sourcing, ensures that such activities do not cause ecological damage or exploitation of indigenous people and local communities. The Company will maintain effective communication with soybean suppliers to improve the traceability of soybean supply chain. Refer to the Responsible Soybean Sourcing Policy for more.

2.4 Sourcing of Other Trade Raw Materials

The above basic principles of sustainable sourcing also apply to the sourcing of other trade raw materials, and the Company may update this Policy in the future based on other applicable requirements.

3. Complaints and Whistleblowing

Any employee or partner of the Company who discovers (or has reasonable grounds to suspect) any improper or illegal behavior in the scope of work shall raise the concern to the Company as soon as possible, or directly complain to the Chairman of the Company (kkh@wilmar.com.sg). Whistleblowers will be protected, for details, refer to the Whistleblower Protection Policy.

4. Policy Revision

The Company regularly revise and renew this policy in accordance with laws and regulations, its own business development, common industry practices and good standards.

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December 1, 2021