



PASTERNAK, BAUM & CO., INC.

500 Mamaroneck Avenue
Harrison, NY 10528
(914) 630-8080 phone
(914) 630-8120 fax
www.pasternakbaum.com

Supplier Code of Conduct

Introduction

Suppliers and their employees, representatives, agents and subcontractors (referred to as "suppliers" hereinafter) must comply with Pasternak Code of Conduct while conducting business with Pasternak or on behalf of Pasternak (if applicable). Suppliers are obliged to inform Pasternak (details below) when any breach of any part of this Supplier Code of Conduct occurs. Pasternak operates based on good faith and confidence in the commitment made by its suppliers to comply with this Code of Conduct but reserves the right to request more information or require a third-party evaluation to confirm such compliance.

Pasternak reserves the right to take the necessary measures to resolve any situation of its suppliers considered illegal or contrary to this Code of Conduct and requests that its suppliers know and train their agents on it.

Objective

This supplier Code of Conduct establishes the minimum performance expected by Pasternak in its employees, collaborators and suppliers during the performance of their professional duties.

Compliance with Pasternak sustainability policy

In addition to be aware of Pasternak Business Conduct Guide, compliance with this Code of conduct is an integral part of the business relationship that the supplier has with Pasternak and additional to the obligations established in the commercial / contractual supply contract. It requires the supplier to accept and respect the following commitments when sourcing palm oil to Pasternak:

No Deforestation

- No land use change occurs for the establishment of new plantations
- Prior to new developments, the High Conservation Values (HVC) and High Carbon Stocks (HCS) approaches is used to determine expansion areas.
- HCV and HCS areas are identified, maintained and enhanced
- No fire/burning is used for land clearing. If used, shall be in exceptional circumstances
- Green House Gases (GHG) emissions are identified and reduced

No Development on Peat Land*

- Peat lands are identified and protected from development of new plantings

No Exploitation

- The Universal Declaration of Human Rights is endorsed and supported
- All human rights, especially those of the most vulnerable groups (including, but not limited to, indigenous populations) are respected
- Land tenure and land use rights are respected, especially those of indigenous and local communities
- Local communities have the right to give or uphold their Free, Prior, and Informed Consent (FPIC) to developments affecting their rights and lands
- The use of forced and child labor, discrimination and harassment of workers is forbidden
- Labor rights, including and not limiting to contract, temporary, and migrant workers are respected. Living wages shall be determined and respected
- The freedom of association and the right to form labor unions is respected
- Healthy and safe workplaces are ensured to all workers, regardless of its type of contract. Includes the provision of adequate protective equipment, especially when handling chemicals.

Smallholder inclusion

- The inclusion of smallholders into sustainable palm oil supply chains is encouraged and supported

Pasternak supports best management practices to conserve water, soil and associated biodiversity as well as the use of environmental and social impact assessments to prevent, mitigate and remediate negative impacts.

Implementation of the requirements by own suppliers

The supplier shall confirm that its own suppliers know and have implemented and shall comply with the requirements that meet or exceed the requirements of this Code of Conduct.

Reporting of non-compliance and seeking advice

Pasternak encourages suppliers to proactively report any instance of noncompliance with this Code of Conduct and provides the following avenues to report any enquiry/complaint:

- Website
- Email
- Hotline

Any enquiry or complaint will be registered and analyzed. When conducting the reviews, the confidentiality of the case and the request for anonymity of the person who provided the information will be respected. Every effort will also be made to keep identities within the largest possible reserve, in accordance with the need to carry out a more detailed investigation. Pasternak will not tolerate punishment or retaliation against anyone who has approached seeking advice or sharing information about any possible breach of this Code of Conduct.

If after the investigation process it is verified that there has been a deviation from our Supplier Code of Conduct, the necessary measures will be taken in accordance with current regulations and internal policies. For internal and regulatory purposes, the company reserves the right to keep and protect the historical information of the cases received.

* peat land (as defined by RSPO P&C 2018) = A soil with cumulative organic layer(s) comprising more than half of the upper 80 cm or 100 cm of the soil surface containing 35% or more of organic matter (35% or more Loss on Ignition) or 18% or more organic carbon. Note for management of existing plantations in Malaysia and Indonesia, a narrower definition has been used, based on national regulations: namely soil with an organic layer of more than 50% in the top 100 cm containing more than 65% organic matter.