



*Connected
by Coffee*

HACOFCO Social Policy

Global Responsible: Managing Director

Version: 01

Effective Date: July 31st, 2024

PURPOSE

HACOFCO is committed to fostering the social well-being of its employees, communities and other key stakeholders impacted by its business strategy.

SCOPE

The target audience of this policy are all HACOFCO's employees and its subsidiaries, and coffee suppliers. And it applies regardless of gender, race, nationality, or any other distinction.

POLICY

At HACOFCO we recognized that respect for the rights of the people is fundamental, it's our responsibility and is key to being successful over the long-term and to create more value for our key partners. For this reason, HACOFCO firmly opposed all forms of human rights violations and supports the UN Guiding Principles on Business and Human Rights (UNGPs)¹ and the OECD Guidelines².

¹ <https://www.undp.org/sites/g/files/zskgke326/files/migration/in/UNGP-Brochure.pdf>

² <https://www.oecd-ilibrary.org/docserver/81f92357-en.pdf?expires=1723069708&id=id&accname=guest&checksum=3BCDD7B8934FD0474FC5C0FA7E7B0FB7>



*Connected
by Coffee*

Therefore, HACOFCO is committed to:

- Identify and assess actual and potential human rights impacts in its operations and supply chains
- Prevent and avoid causing or contributing to adverse impacts to human rights
- Prevent and mitigate adverse human rights impacts linked to its operations and supply chains
- Establish active engagement with other actors in the industry to support and promote initiatives oriented to strengthen the application of human rights across the coffee industry
- Have and implement an effective grievance mechanism
- Operates in accordance with UNDRIP (UN Declaration on the Rights of Indigenous People)³
- Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities
- Implement a remediation action plan when the any case is identified
- Adopt transparent negotiation practices when interacting with authorities and/or organizations
- Ensure respect for HACOFCO's employees' rights, including but not limited to:
 - o Prohibit child labor
 - o Prohibit any type of forced or compulsory labor
 - o Ensure opportunities for freedom of association and collective bargaining
 - o Prevent any form of discrimination
 - o Ensure legal and decent working hours
 - o Create safe and healthy workplaces
 - o Provide living wages and fair benefits
 - o Implement responsible recruitment practices in accordance with this policy
- Implement initiatives within HACOFCO to strengthen the knowledge level and respect for the fundamental human rights

³ https://www.un.org/development/desa/indigenouspeoples/wp-content/uploads/sites/19/2018/11/UNDRIP_E_web.pdf



*Connected
by Coffee*

GOVERNANCE

The Sustainability Committee is responsible for overseeing the definition and implementation of HACOFCO's sustainability strategy, and it is assigned to lead the most important initiatives to achieve our sustainability goals. In this regard, the Sustainability Committee is also responsible for ensuring the appropriate communication and application of this policy within HACOFCO and its subsidiaries.

For updates and improvements to this policy the Managing Director must ensure that the changes recommended are aligned with the business strategy. And it's the final responsible for approving new versions of this policy.

HACOFCO expects its employees and suppliers to follow this Social Policy, and report directly to the Managing Director or any member of the Sustainability Committee any risk of non-compliance with the commitments set in this policy.

APPROVAL

Signature:

Date: July 31st, 2024

Name: Stephan Niesel

Position: Managing Director