Human Rights and Environmental Due Diligence Statement

1. VISION AND COMMITMENT

At Cashew Coast, **respecting and promoting human rights and environmental responsibility is a core value and a strategic priority**. We believe that long-term business success is only possible when we acknowledge and uphold our responsibilities toward people and protect the ecosystems we rely on. That is why human rights and environmental due diligence (HREDD) are fully embedded into our strategy, operations, and relationships across the value chain.

Our purpose is to change the perception of the world by proving that Africa can produce food that is safe, reliable, and responsible at scale. We **build sustainable, profitable connections between smallholder farmers, our dedicated workforce and global consumers,** fostering long-term, trust-based partnerships throughout our value chain.

As a cashew processor rooted in West Africa, we recognize our specific role and responsibility:

- **As a major employer** in Côte d'Ivoire, we are directly responsible for providing safe, fair, and healthy working conditions for all employees and workers in our factories and offices.
- **As a buyer of raw cashew nuts**, we play a vital role in strengthening human rights and promoting environmentally sound practices among thousands of smallholder farmers.
- **As a driver of regional value addition**, we aim to improve livelihoods, develop local processing capacity, and expand market access for other crops and products such as spices and honey, helping our farmers capture more value and supporting inclusive industrialisation across Africa.

2. SCOPE

This statement covers our **factories and offices** in Côte d'Ivoire, the **smallholder farmers, cooperatives, and service providers** we work with directly or indirectly, **suppliers of inputs** such as packaging materials or equipment, and **downstream business partners**, where relevant, including those involved in transport and distribution, for example.

We expect all employees, workers, farmers, suppliers, and business partners throughout our value chain to **respect human rights and environmental standards in line with this statement** and any applicable laws and regulations.

We recognise that effective due diligence **requires a deep understanding of the local context** in which we operate. In Côte d'Ivoire, realities on the ground demand approaches that are practical, participatory, and culturally sensitive. We aim to build solutions that reflect this complexity and strengthen local ownership.

3. FOUNDATIONAL STANDARDS

Our approach to human rights and environmental due diligence is **guided by internationally recognised principles and frameworks**. These foundational standards provide the basis for how we identify, assess, prevent, mitigate, and account for adverse impacts throughout our value chain. Specifically, we are guided by:

- The UN Guiding Principles on Business and Human Rights
- The OECD Guidelines for Multinational Enterprises
- The International Bill of Human Rights
- The International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and its underlying conventions
- The UN Global Compact
- ETI Base Code
- IFC Performance Standards

Where national law and international standards diverge or appear to conflict, we aim to apply the higher standard of protection - provided it does not place us in violation of national law. In all other cases, we seek to uphold international principles to the greatest extent possible while respecting national legal frameworks and local realities.

4. OUR APPROACH TO DUE DILIGENCE

We view human rights and environmental due diligence as a continuous and dynamic process that enables us to identify, assess, prevent, mitigate, and account for actual and potential adverse impacts across our operations and value chain, covering not only cashew but also other crops and products such as spices and honey, through which we aim to create additional regional value. Our approach follows the internationally recognised steps outlined by the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and is embedded into our strategic planning, operational decision-making, and performance monitoring:

- **Governance:** Establish clear governance structure and integrate due diligence into policies and management systems.
- **Materiality assessment:** Identify and assess material impacts, risks and opportunities.
- **Prevention and mitigation**: Implement measures to prevent or mitigate identified potential adverse impacts.
- **Remediation:** Take appropriate remedial action concerning actual adverse impacts. This includes operating accessible and trusted grievance mechanisms that enable our employees, workers, farmers, and communities to raise concerns safely and confidentially.
- **Monitoring:** Document findings and track the effectiveness of due diligence measures.
- **Communication:** Report regularly and transparently on due diligence process, risks identified, and actions taken.

We place strong emphasis on **stakeholder engagement** throughout this process. We actively involve affected rights-holders and their representatives - such as employees, workers, farmers, women's groups, and local leaders - in risk analysis, the design of mitigation measures, and evaluations of their effectiveness. Their insights ensure that our actions are grounded in reality and tailored to local needs.

5. GOVERNANCE

HREDD governance is led from the top. Oversight lies with our **CEO, supported by the Senior Management Team**, who ensure that due diligence is integrated into business strategy and operations. The **Board** is consulted on all major decisions and must approve critical matters relating to human rights and environmental responsibility.

Our **ESG Committee**, composed of cross-functional leaders, meets on a quarterly basis to review progress and define strategic next steps. This ensures consistent monitoring, alignment across departments, and accountability for implementation.

We do not have a stand-alone sustainability department. Instead, we follow a **distributed ownership model** where each department is responsible for implementing sustainability in its area. This is supported by the implementation of **sustainability champions** across the business and a small **coordinating function** that provides strategic guidance, ensures coherence, and facilitates learning.

Furthermore, all employees, suppliers, and business partners are expected to comply with our **Code of Conduct**, which outlines clear standards on human rights, labour conditions, and environmental practices.

6. MATERIALITY ASSESSMENT

We regularly identify and assess risks across our value chain, with a special focus on farm level and our own (factory) operations. To systemise this approach, we conducted our first **Double Materiality Assessment** (DMA) in 2025. The DMA evaluates both how our activities affect people and the environment (impact materiality) and how related risks and opportunities could affect our business (financial materiality). Going forward, we aim to repeat this assessment on a regular basis and to complement it by ad-hoc analyses whenever we gain substantiated knowledge of risks through, for example, internal audits, the grievance mechanism, media coverage, NGO reports or academic research. Furthermore, we are paying particular attention to groups who may be at greater risk due to their vulnerability or marginalization, with a special focus on women and children.

We apply the **methodological approach outlined by the European Sustainability Reporting Standards (ESRS)** to identify material impacts, risks and/or opportunities. This ensures a structured and comparable assessment across all sustainability matters. Based on our analysis in 2025, the following topics were identified as material: E1 Climate Change, E4 Biodiversity and Ecosystems, E5 Circular Economy, S1 Own Workforce, S2 Workers [in our case: farmers] in the Value Chain, and G1 Business Conduct. Related sustainability activities are organised under strategic pillars that guide our implementation and monitoring.

7. PREVENTION AND MITIGATION

We are taking targeted steps to prevent or reduce adverse impacts based on the results of our risk analyses, with a **focus on the most salient adverse impacts across our operations and value chain**.

Our efforts are intended not only to avoid harm but also to **generate positive outcomes** for people and the environment.

Our prevention and mitigation measures include both direct **operational interventions and system-level collaborations**. These include (non-exhaustive):

- developing goals and key performance indicators (KPIs) for each strategic pillar
- developing policies and procedures to address identified risks
- implementation of external audits and certification (e.g. BRC, SMETA, EU organic, Naturland, Fairtrade)
- carrying out internal audits and on-site visits to farms and factories
- implementation of our Code of Conduct and supporting standards, which define binding requirements on human rights, environmental stewardship, and responsible business conduct for all employees and partners in our value chain
- providing technical assistance and agronomic support to farmers
- delivering training and investing in capacity building for our employees, workers, and farmers to raise awareness, strengthen local leadership, and promote supply chain resilience on topics such as health & safety, human rights, traceability, good agriculture practices or environmental and climate-related risks, in particular extreme weather events.
- engaging in collaboration with scientific institutions, development agencies, and multi-stakeholder initiatives (e.g. Sustainable Nut Initiative, ComCashew, CIRAD) to address root causes and scale impact.

Traceability is the **foundation** of many of our actions. We use SAP Rural Sourcing Management to track deliveries down to the farm level for 80% and the district level for the remaining 20% of our raw cashew nuts. This enables us to **trace the origin of our products, assess risks more accurately, and target our interventions** more effectively.

8. REMEDIATION

We are committed to working towards all individuals affected by our operations or value chain having **access to safe, accessible, and effective grievance channels** to raise concerns.

We currently operate a **grievance mechanism for our own workforce**, including suggestion boxes, a dedicated telephone number, QR-code-based digital reporting, and access to HR and line managers. These channels are designed to allow confidential and, where possible, anonymous reporting.

We also recognise the need to **expand grievance access beyond our own work force**, and are progressively developing mechanisms for farmers, farming communities, suppliers, and other affected stakeholders. Our goal is to ensure that all parties along our value chain can access culturally appropriate and trusted channels.

Where we have caused or contributed to an adverse impact, we commit to providing or cooperating in the provision of **timely and appropriate remedy**. This may involve the development of corrective action plans, support services (e.g. medical assistance), the temporary suspension of suppliers/farmers, or adjustments to internal processes and policies.

9. MONITORING AND CONTINUOUS IMPROVEMENT

We will regularly review and evaluate the **effectiveness of our due diligence system** and the measures taken. Our aim is to document our findings and carry out this review at least once a year and on ad-hoc basis so we can adapt our approach as needed. Due diligence is a **dynamic process** that requires continuous review and adjustments. In addition, stakeholder feedback (e.g. from grievance data, audits, and consultations) informs our approach and contributes to continuous learning and improvement.

10. COMMUNICATION

We are committed to **transparent communication** about our human rights and environmental due diligence efforts, including both our progress and the challenges we face.

Our **main reporting channel** will be the sustainability section of our website, where we will provide regular updates on key issues, mitigation measures, and outcomes. We also share selected highlights through our social media channels and in direct dialogue with key customers and stakeholders.

This Statement will be actively **communicated across the organisation** and integrated into onboarding, supplier engagement, training, and relevant contracts to ensure all employees, workers and business partners understand and support our due diligence approach.

11. LIVING COMMITMENT

We see this Statement as a living commitment which will be reviewed annually. We will continue to learn, adapt, and strengthen our due diligence approach to ensure that our business contributes to a more just, inclusive, and sustainable future.