

ADJUSTMENT TO LISTING PROCEDURE 6 JUNE 2017

CHAPTER TRADING CONDITIONS, CONDITIONS FOR RESPONSIBLE PURCHASING:

Principles for the case by case evaluation when a producer's subcontractor is not respecting the Conditions for responsible purchasing.

Alko has committed to collaboration with the parties who respect the BSCI ethical values and shows the willingness for improving their own operations constantly according to these principles.

- **Refusing an audit will end the collaboration.**

When the party, who has refused the audit, is a producer's subcontractor Alko will evaluate the cancellation of the product's purchasing and listing case by case before Alko makes a decision for the cancellation of purchase and listing as well as for the withdrawal.

In the case by case evaluation following is to be taken into consideration:

- **Evaluation of traceability of the supply chain** (from the producer to the subcontractor)
- **Evaluation of reliability of the traceability information** (timeliness)
- **Evaluation of structure of producers supply chain** (amount of actors and their role)
- **Fairness to all parties in the supply chain** (vs. the result which is not in line with the target of responsible purchasing)

Alko is treating all parties equally and transparently.

