

Non-Technical Summary

Environmental and Social Due Diligence of Valency Group

European Bank for Reconstruction and Development

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Nomenclature

ACRONYM	MEANING
EBRD	European Bank for Reconstruction and Development
EHS	Environmental, Health, and Safety
E&S	Environmental and Social
ESG	Environmental, Social, and Governance
ESAP	Environmental and Social Action Plan
ESIA	Environmental and Social Impact Assessment
ESDD	Environmental and Social Due Diligence
ESMP	Environmental and Social Management Plan
ESMS	Environmental and Social Management System
ESR	Environmental and Social Requirement
ESP	Environmental and Social Performance
HR	Human Resources
HRMS	Human Resources Management System
GBVH	Gender Based Violence and Harassment
GHG	Greenhouse Gas
GRM	Grievance Mechanism
IFC	International Finance Corporation
ILO	International Labour Convention
IVC	Ivory Coast
MSMO	Multi-Seed Multi-Oil
NTS	Non-Technical Summary
SEP	Stakeholder Engagement Plan
WB	World Bank
WHO	World Health Organization

1.0 Introduction

1.1 Background

SLR Consulting France SAS (SLR) was appointed by the European Bank for Reconstruction and Development (EBRD or the 'Client') as an independent Environmental and Social (E&S) consultant to undertake an Environmental and Social Due Diligence (ESDD) of two subsidiaries of Valency International Pty Ltd. ('Valency Group' or 'Valency'): Valency International Trading SARL ('Valency IVC') in Côte d'Ivoire and Valency Agro Nigeria Ltd ('Valency NIG') in Nigeria, for their cashew and cocoa trading activities.

The ESDD was undertaken in line with SLR's proposal submitted to EBRD dated 16 September 2025, and contract signed on 22-24 September 2025.

1.2 Objectives & Methodology

The aim of this ESDD was to analyse the E&S performance of Valency IVC and Valency NIG, by assessing their compliance with the E&S Reference Framework.

1.3 Reference Framework

This ESDD was mainly carried out in accordance with applicable local, national and regional requirements, the EBRD's ESP (2024) and its Environmental and Social Requirements (ESRs), and relevant European Union (EU) requirements.

1.4 Report Structure

This Non-Technical Summary (NTS) of the ESDD of the above-mentioned Project is intended to provide an overview of the outcomes of the ESDD.

This NTS is structured as follows:

- Introduction.
- Project Description.
- Summary of Environmental and Social Action Plan.
- Stakeholder engagement, information disclosure and contact details.

2.0 Project Description

2.1 Company Description

Valency International Pty Ltd (**'Valency Group'**) is a Singapore-based agro-commodities trading group founded in 2007. The company is present in 22 countries, has operations in 40 markets and employs over 2,600 people. Valency has its own logistics operations as well as processing and warehousing facilities.

Valency International Trading SARL (**'Valency IVC'**), the Ivoirian subsidiary, was established in 2015. In April 2025, it reportedly employed 114 direct employees and about 1170 third-party employees (casual labor provided by labor brokers).

Valency Agro Nigeria Ltd (**'Valency NIG'**), the Nigerian subsidiary, was established in 2017. In October 2025, it reportedly employed approximately 600 direct employees and approximately 800 third-party employees (seasonal and casual labor provided by labor brokers).

Valency Group was financed by recognized international financial institutions, including British International Investment (BII), as well as Finnfund and Norfund.

2.2 Project Categorization

The Project is categorized **"B"** in accordance with the EBRD Environmental and Social Policy (ESP) (2024), due to its medium environmental (e.g. sustainable sourcing, resource efficiency, hazardous materials management, waste management, air emissions, etc.) and social risks (e.g. labour and Working Conditions, Occupational Health and Safety, etc).

3.0 Summary of Environmental and Social Action Plan

An Environmental and Social Action Plan (ESAP) has been prepared to support the Project in improving its E&S performance and further align it with national laws and regulations, as well as international financial institutions' E&S standards. These include provisions for the development of procedures to manage all E&S risks and impacts identified. ESAP items include the following:

ESR 1

- **ESMS:** Enhance existing ESMS at the Valency IVC and Valency NIG levels, for E&S commitments to be appropriate to the nature and scale of E&S risks and impacts. This should include additional management plans (such as biodiversity preservation, community health and safety, and monitoring and evaluation), the supplementation of the Supply Chain Manual with Supply Chain monitoring procedures, and the development of supporting tools for all ESMPs and procedures.
- **E&S Assessment:** Within the management system for Valency IVC and NIG, ensure that procedures and implementation for assessing E&S risks and impacts from operations are commensurate with the scale of country operations. This should include procedures for retaining external E&S specialists to conduct assessments with high degrees of technical capacities, given Project risks for resource use, biodiversity, and climate change, for example.
- **Organizational capacity and commitment:** Recruit additional internal resources for the successful implementation of E&S and Environmental, Health, and Safety (EHS) responsibilities. This should include EHS relays throughout the Attinguié facility for Valency IVC, who can supervise such that OHS risks in the facility do not result in accidents to workers. This should also include language support so that the French-speaking E&S Officer and English-speaking senior management can successfully communicate.
- **Monitoring:** Develop procedures and tools to effectively monitor the E&S parameters that Valency commits to within its ESMS, including monitoring tools for Valency IVC and Valency NIG's supply chains, deforestation risks, and labor risks. Ensure that data that is monitored is reported on and made available to country and international management, as well as external stakeholders.

ESR 2

- **Working Relationships:** Implement the Contractor Management Policy at the country level and monitor contracts and relationships with labour brokers to ensure that labour brokers are adhering to Valency HR policies and procedures. Designate responsibilities for managing working relationships to the appropriate Human Resources function at the country levels.
- **Wages, Benefits, and Conditions of Work, Worker's Organisations, and Contracted Workers:** Ensure direct and indirect employees receive pay, benefits, insurance, and representation aligned with national regulations and international labour requirements. Contact relevant national authorities to register worker's organisations, including employee representatives, and hold elections and meetings for worker's organisations as per national regulations.
- **Internal Grievance Mechanism:** Ensure that direct and indirect employees have access to and understand their rights within the internal grievance mechanism by

increasing the channels for submitting grievance, training HR personnel on responding to grievance, and increasing employee trust in resolution procedures for their grievances.

- **Non-Discrimination and Equal Opportunity (DEI):** Formalize Valency IVC policies on Non-Discrimination and Equal Opportunity within Human Resources Management System and implement the policy such as to ensure gender programs are in place, monitored, and achieving outcomes for equal opportunity.
- **Supply Chain Workers, including Child Labour and Forced Labour:** Implement the Supply Chain Manual and conduct supply chain mapping to ensure that suppliers are aware of Valency commitments to no child labour or forced labour and are certified in fair labour arrangements.

ESR3

- **Resource Efficiency and Circular Economy, including Water, Wastes, and Hazardous Chemicals Management:** Formalize and finalize Resource Efficiency Plans at the Group and country levels, implementing appropriate water, waste, and chemicals management practices (including facilities updates, formalization of SOPs, external audits, and training) so that all water, waste, and chemical generation and disposal is in line with national environmental regulations.
- **Greenhouse Gas Emissions:** Establish and routinely conduct full GHG emissions calculations such that emissions at Valency IVC and NIG levels are reported to management at the Group Level, integrated into the Group-wide Climate Change Risk Assessment, and managed for reduced contributions to climate change.
- **Hazardous Materials – Agri-Chemicals:** Conduct a Agri-Chemicals Risk Assessment on the distribution of current agri-chemicals within Valency IVC's supply chain and consider substitutes for all agri-chemicals listed on the World Health Organization List.

ESR4

- **Occupational Health and Safety (OHS):** Ensure that all required OHS policies and procedures are implemented to ensure non-compliances with regards to local legislation (e.g. workplace noise exceedances, working from heights, etc.) and misalignment with EBRD ESRs / best practices (e.g. inadequate personal protective equipment, lack of training, etc.) identified at Valency IVC and Valency NIG are embedded into country-level SOPs and implemented at the site level.
- **Community Health and Safety (CHS):** Develop a CHS plan, including the engagement of community members to ensure training and awareness on health and safety risks as well as access to external grievance channels. Develop management plans to reduce CHS risks within standard operating procedures.
- **Traffic and Road Safety:** Update the Traffic Management Plan based on evolving risks from facility size in Attinguié, as well as traffic risks for all sites under management at Valency IVC and NIG, and include accident prevention and incident reporting in standard operating procedures and training to employees.
- **Natural and Climate Change Hazards:** Conduct physical risk and transition risk assessment for Valency IVC and Valency NIG and develop risk response and mitigation plan for natural hazards including flood risk and wildfire risk.
- **Emergency Preparedness and Response:** Update Emergency Preparedness and Response plans for Valency IVC and NIG to ensure management of site-specific risks and conduct training and drills to all employees for preparation of procedural responses in the case of emergency.

- **Security:** Develop and conduct training for use on firearms and community health and safety to all security personnel and modify security arrangements so that security workforce receives legally required rest, time off, and benefits.

ESR5

- **Land Acquisition Management:** Finalize Group Level Land Acquisition and Resettlement Policy and adapt to country-levels, including policies and procedures for land acquisition management for future facilities under construction and development. Ensure that all policies and procedures for land acquisition are aligned with EBRD ESR5 and International Finance Corporation Performance Standard 5.

ESR6

- **Biodiversity Conservation:** Finalize Biodiversity Management Plan within ESMS and ensure that appropriate biodiversity mitigation measures are prepared and implemented through the necessary requests for internationally compliant ESIA, particularly for the Bouaké facility in Ivory Coast and Multi-Seed Multi-Oil (MSMO) Plant in Nigeria.
- **Deforestation:** Establish Deforestation Prevention Plan and embed within the Supply Chain Manual and Supply Chain Sustainability procedures at the country levels.

ESR10

- **Stakeholder Engagement Plan:** Update Group-Level and country-level Stakeholder Engagement Plans to reference the external grievance mechanism, reflect external communications procedures, and establish engagement strategies for all identified stakeholders following stakeholder mapping exercises. Designate the ESG Manager and procurement teams to implement the Stakeholder Engagement Plan throughout Valency IVC.
- **Grievance Mechanism:** Finalize Valency IVC's internal and external grievance procedure, including internal appraisal and review from senior management. Develop a grievance mechanism communication program to be communicated with Supply Chain Actors and sensitize external stakeholders on use and access to external grievance channels and response mechanisms.
- **Monitoring & Reporting:** Within the monitoring materials recommended under ESR1, ensure that effective monitoring of grievances received from external stakeholders, as well as required grievance reporting to management at the Corporate level, is conducted, recorded, and resolved according to International Best Practice.

4.0 Stakeholder Engagement, Information Disclosure and Contact Details

An updated Stakeholder Engagement Plan (SEP) will be prepared for the Project in which all affected stakeholders are identified, including communication methods and the information to be disclosed to each stakeholder. The SEP will also refer to the process for filing grievances/complaints relating to the Project. A copy of the SEP will be made available at the Project's office and the Local Authorities.

All complaints/grievances relating to the Project can be submitted to the following contact:

For Valency IVC:

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