

Purpose

This policy establishes the commitment of Jungbunzlauer to responsible sourcing, ensuring that natural resources and materials used in operations are obtained sustainably. It aims to minimise environmental and social impacts, promote ethical supply chain practices, and drive continuous improvement in sustainability performance. This policy complements the Supplier Code of Conduct by additionally providing guidelines for sustainable procurement practices for internal and external stakeholders.

Scope

This policy applies to all internal stakeholders, suppliers, contractors, and partners involved in the procurement of goods and services. It covers all tiers of the supply chain, emphasising compliance with sustainability principles, ethical sourcing, and regulatory requirements.

Policy statement

Jungbunzlauer is dedicated to responsible procurement practices that support environmental stewardship, fair working conditions, and ethical business practices. We prioritise suppliers who share our values and adhere to international sustainability standards.

Commitments

1. Environmental responsibility

We ensure that purchased goods and services are sourced sustainably, with minimal ecological impact. Please refer to our Biodiversity, Water and Climate Change Policies for further guidance.

2. Social responsibility

We uphold human rights, safe working conditions and fair employment standards across the supply chain. Please refer to our Human Rights Policy for further guidance.

3. Business ethics

We maintain transparency, prevent bribery, corruption, money laundering, anti-competitive behaviour, conflicts of interest, and comply with all applicable laws, regulations and ethical business standards.

4. Supplier engagement

We foster collaboration with suppliers to drive sustainability improvements.

Principles

1. Sustainability

We promote sustainable sourcing through supplier risk management, supplier performance evaluations and active cooperation with suppliers.

2. Traceability

We aim to achieve supply chain transparency of key raw materials to ensure responsible sourcing.

3. Risk management

We identify and mitigate sustainability risks in the supply chain, including human rights violations, deforestation, and unethical business practices.

4. Continuous improvement

We implement monitoring, training, and engagement programs to enhance sustainability performance.

Initiatives

- Implement training on sustainability requirements and best practices for our own procurement organisation and our suppliers.
- Conduct regular assessments of suppliers to ensure compliance with sustainability criteria, e.g. by self-assessment-questionnaires, and audits if necessary.
- Collaborate proactively with suppliers for the calculation of reliable Product Carbon Footprint (PCF) data and the reduction of greenhouse gas emissions within our supply chain.
- Engage in stakeholder collaborations to enhance sustainable procurement practices.
- Establish grievance mechanisms for stakeholders to report uncompliant or unethical practices.

Objectives and targets

- Conduct annual supplier assessments to detect and mitigate risks and exploit opportunities of our main suppliers by 2028.
- Monitor suppliers to ensure continual compliance with human rights and fair employment standards.
- Include minimum wage and working hours regulations, as defined by the Supplier Code of Conduct, in 100 % of new supplier contracts by 2028.

- Achieve sourcing of 20% of corn quantities and 60% of large emissions chemicals quantities from suppliers with PCF data by 2030.
- Work with suppliers to reduce the environmental footprint of their products.
- Work with suppliers of corn to adopt and monitor sustainable farming practices.

Responsibilities

1. Procurement Team

Ensure that suppliers are informed about the Supplier Code of Conduct and the Sustainable Procurement Policy and adhere to them. Mitigate sustainability risks in the supply chain.

2. Sustainability Management Team

Identify sustainability risks in the supply chain, monitor and report on sustainability performance, engage with suppliers on improvements. Conduct regularly sustainability performance evaluations of suppliers to track progress and identify areas for improvement.

3. Senior Management

Oversee policy implementation and drive sustainability strategy.

4. Suppliers

Adhere to policy requirements and participate in sustainability initiatives.

Review

This policy has been approved by the Executive Committee of the Jungbunzlauer Group and is subject to a regular review at least every two years.

Reference

This policy should be read in conjunction with the following documents of the Jungbunzlauer Group:

- Code of Conduct
- Supplier Code of Conduct
- Human Rights Policy
- Climate Change Policy
- Water Management Policy
- Biodiversity Policy