

# Group Responsible Procurement Policy

Date of Policy: 21<sup>st</sup> January 2019

Issue Number: 01

Date of Next Policy Review: TBD

Approved by: Sustainability Committee

## Overview

Vitasoy’s two-pronged Sustainability Framework – “Making the Right Products” and “Making Products the Right Way” – summarises our commitment to delivering sustainable products that support a healthy lifestyle. Procurement plays an important role in ensuring we deliver this promise. While related efforts have been made in our selection of suppliers to support this commitment, a formal Responsible Procurement Policy will further enhance the effectiveness of our purchasing actions by providing clear directions and guidelines for all our purchasing decisions.

Our Responsible Procurement Policy seeks to give preference to sustainable alternatives in our procurement by ensuring that all raw material suppliers do the following, wherever applicable:

- Conserve natural resources
- Minimise impact to the environment
- Maximise recyclability
- Observe labour rights

## Scope

The Responsible Procurement Policy applies to all raw materials procurement and pertains to the entire Vitasoy purchasing process across all Group companies:



### **The Policy:**

The Purchasing Department will:

- Only do business with suppliers who comply with applicable legislations and regulations in their respective local regions/countries
- Give preference to suppliers who have acknowledged acceptance of our Supplier Responsibility Principles
- Give preference to materials/products where recognised sustainability related certification or acknowledgment by recognised authorities is obtained. Examples include, but are not limited to, Forest Stewardship Council, Roundtable on Sustainable Palm Oil and ProTerra Foundation
- Integrate environmental factors into the buying decisions where applicable. These include, but are not limited to, sustainable farming practices, pollutant releases, toxicity, use of renewable energy, impacts on biodiversity, recyclability and recycled content
- Engage with suppliers to innovate and develop responsibly-sourced or eco-friendly products
- Require major suppliers to provide annual status report/self-assessment on compliance with our Supplier Responsibility Principles

### **Implementation**

- The Purchasing Department provides briefings/trainings to all heads of departments/functions with the support of the Sustainability team to ensure clear understanding of this Policy
- The Purchasing Department works closely with the Product Development team in implementing this Policy through developing detailed specifications that align with the Policy
- The Policy will be reviewed annually for updates for continuous enhancement of its effectiveness by Group Purchasing with approval by the Sustainability Committee

### **Review of the Policy**

The Sustainability Committee will conduct a periodic review on this Policy if deemed appropriate.

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