

Sustainable procurement policy

Sisterna is committed to promoting sustainability in all aspects of our business operations, including procurement. This Sustainable Procurement Policy outlines our approach to sourcing products and services that minimize negative environmental and social impacts while maximizing positive contributions to sustainability. We aim to collaborate with our mother company and supplier, DKS, who shares our commitment to sustainability and responsible business practices.

Our sustainable procurement:

Sisterna has conducted an internal risk assessment. We will continue working with our supplier and customers to ensure the CSR principles are respected throughout the entire supply chain. If the principles of CSR are not honored, we will enter into discussions with the parties involved and offer assistance where necessary. If improvement does not occur, the necessary measures will be taken.

Our due diligence procedure incorporates assessments and helps us identify and prevent human rights violations (workers' health and safety, working hours, freedom of association, child and forced labor, etc.) across our supplier's operations.

Sustainability is an important topic in our business as we promote and sell sucrose esters which are produced with sucrose, from beet and cane, and fatty acids from palm and coconut oil.

Since 2013 we have been promoting and supporting sustainable palm oil production. First through the purchase of Book & Claim certificates and since 2017 through the actual purchase of certified sustainable palm oil according to the Mass Balance system.

RSPO has been set up as an independent organization to develop and implement global standards for sustainable palm oil. Both **DKS**, producer of Sisterna sucrose esters, and **Sisterna** as distributor have been accepted and registered as a Member of the Round Table of Sustainable Palm Oil (RSPO). We encourage all links in the supply chain to do the same. We also expect a commitment from our distributors that is consistent with our policies. In order to participate in the sustainable palm oil sector, they must become a member of the RSPO and then apply to the RSPO for a license. Our distributors play a vital role in maintaining the integrity of the certified chain.

Policy Objectives:

- To integrate environmental, social, and economic considerations into our procurement processes.
- To reduce the environmental footprint associated with the products and services we procure.
- To support fair labor practices, human rights, and ethical business conduct throughout our supply chain.
- To encourage innovation and the development of sustainable products and services.
- To foster a long-term relationship with our supplier who aligns with our sustainability goals.
- To uphold the laws and regulations of the respective countries we operate in.
- To identify and moderate risks associated with our procurement process.
- To communicate the policy with stakeholders (internal and external) and raise awareness.

Supplier Engagement:

- We will assess and select suppliers based on their sustainability performance, taking into account factors such as environmental impact, labor practices, and ethical conduct.
- We will prioritize suppliers who have implemented environmental management systems, certifications, or sustainable practices.
- We will encourage suppliers to adopt sustainable practices and provide support and resources to help them improve their sustainability performance.

Product and Service Selection:

- We will give preference to products and services with a lower environmental impact throughout their lifecycle, including raw material extraction, production, distribution, use, and disposal.
- We will consider factors such as energy efficiency, resource conservation, waste reduction, recyclability, and the use of renewable materials when evaluating products.
- We will seek out suppliers who offer environmentally friendly alternatives, sustainable packaging, and reduced carbon emissions in their supply chains.
- We undertake initiatives to promote greater environmental responsibility such as:
 - Responsible waste management and disposal
 - Reduction of greenhouse gas and other emissions harmful to the environment

Ethical Considerations:

- We will only engage with suppliers who adhere to fair labor practices, human rights, and ethical business conduct.
- We will strive to ensure that the goods and services we procure are not associated with child labor, forced labor, money laundering, fraud, slavery, discrimination, or any other exploitative practices.
- We will encourage transparency and accountability from our suppliers regarding their labor practices and supply chain traceability.

Collaboration and Innovation:

- We will actively engage with suppliers, industry associations, and other stakeholders to foster collaboration and knowledge sharing on sustainable procurement practices.
- We will encourage suppliers to develop innovative solutions and technologies that contribute to sustainability, and we will support and recognize those efforts.

Performance Measurement and Reporting:

- We will establish key performance indicators (KPIs) to track and monitor our progress in implementing sustainable procurement practices.
- We will regularly report on our sustainability performance, including procurement-related metrics, to stakeholders, employees, and the public.

Continuous Improvement:

- a. We will regularly review and update our sustainable procurement policy to reflect emerging best practices, technological advancements, and changing stakeholder expectations.
- b. We will provide training and awareness programs to our employees and suppliers to promote understanding and adherence to this policy.

By implementing this Sustainable Procurement Policy, Sisterna aims to contribute to a more sustainable future while driving positive change throughout our supply chain.



Miranda Huppertz & Christel Wouters
Managing Directors Sisterna BV

Our Sustainable procurement report

In our sustainable procurement report all our efforts regarding sustainable procurement can be found. The sustainable procurement report provides an overview of our efforts and achievements in sourcing products and services that minimize negative environmental and social impacts while maximizing positive contributions to sustainability.

Our Supplier Code of Conduct

We acknowledge that continuous improvement in procurement performance is an ongoing endeavor, and we value the contributions of our suppliers in our quest for greater sustainability. For comprehensive guidelines on supplier sustainability, we invite you to consult our Supplier Code of Conduct available at <https://www.sisterna.com/assets/files/Sisterna-BV---Supplier-code-of-conduct.pdf> . This code outlines our expectations and requirements for suppliers in terms of sustainability practices, ethical conduct, and responsible business operations.

Our SR Policies

The following policies can be found on our website: <https://www.sisterna.com/about-sisterna/csr/>

- Our Risk management
- Our QHSE policy
- Education policy
- Sustainable procurement
- NDPE policy
- Security policy (internal document)