



## **Chr. Hansen's Supplier Requirements for Sustainability**

The Supplier Requirements for Sustainability describes our expectations and approach for ensuring sustainable practices throughout our global supply chains.

**CHR HANSEN**

*Improving food & health*



Chr. Hansen is committed to promoting responsible business conduct throughout our business relationships and supply chains.

## Supplier Requirements for Sustainability

Chr. Hansen has defined a set of sustainability requirements to inform suppliers, business partners and anyone conducting work on behalf of Chr. Hansen, on their expected social and environmental performance.

### What we expect of suppliers

The supplier shall document, support and maintain a management system to ensure compliance with the sustainability requirements, and show efforts to reduce and mitigate risks. The supplier is also expected to have processes in place for ensuring that the requirements are adhered to throughout their own organization and supply chain.

### International framework

The Supplier Requirements for Sustainability is based on internationally recognized frameworks such as the UN Guiding

Principles on Business and Human Rights, the UN Global Compact and the Ethical Trading Initiative's Base Code.

### How we assess direct suppliers

All new direct suppliers must be approved through the Vendor Approval Management process. Based on the determined risk level, audits will be performed to assess the conditions and performance of the supplier against the supplier requirements. Chr. Hansen is working closely with selected high-risk supplier groups to help build local capacity and improve social and environmental performance.

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## Requirements

**1. Laws and regulations:** Suppliers shall respect and comply with applicable local, national and international laws, and the rules and regulations in which they operate.

**2. Health and safety:** Suppliers shall comply with applicable laws regarding health and safety. Suppliers shall provide a safe and healthy work environment to prevent accidents and injuries, and to minimize the causes of hazards.

**3. Environment:** Suppliers shall comply with all applicable environmental laws and regulations, including the upholding of applicable permits and authorizations. Suppliers shall continuously strive to improve environmental performance and reduce negative impacts to the environment. Suppliers of raw materials shall take measures to conserve biodiversity.

**4. Human rights:** Suppliers shall respect the human rights of its employees, business partners and suppliers by identifying, mitigating and remediating potential or actual adverse human rights impacts throughout their operation and business relationships. The human rights aspect is outlined in more details below (not exhaustive):

#### a) Equal treatment

Suppliers shall provide a workplace free of harassment, discrimination and punishment of employees.

#### b) Forced labor

Suppliers shall ensure that all employees work of their own free will. Suppliers must not use any bonded or forced labor, slavery or human trafficking. Employees should be free to leave employment after reasonable notice.

#### c) Child labor

Suppliers shall not use or permit the use of child labor as stipulated in local and national laws. Suppliers should support the efforts of the International Labor Organization (ILO) concerning the minimum age of admission for employment and the elimination of the worst forms of child labor. Young workers must not carry out work that can hinder them from attending school or harm their health, such as handling chemicals.

#### d) Working time and remuneration

Suppliers shall comply with applicable laws, industry standards and any collective agreements on working hours, including overtime and fair remuneration.

#### e) Freedom of association and collective bargaining

Suppliers shall respect the freedom of association and the right to engage in collective bargaining in accordance with local laws and international conventions.

**5. Business integrity:** Suppliers must have zero tolerance for any violation of competition, anti-trust and anticorruption laws.