

Sustainable Procurement Policy

Effective 1 June 2024

Why do we have this Policy?

It is the ambition of Nobian Coöperatief U.A. and its subsidiary companies (“Nobian”) to become one of the most sustainable chemical companies in Europe. The cornerstone of Nobian’s approach towards sustainability is our comprehensive sustainability program, *Grow Greener Together*, where we have captured the following ambitions:

- Scope 1 and 2 reduction: 25% by 2025, 50% by 2030 and 100% by 2040 compared to 2020
- Scope 3 reduction: 2% by 2025, 20% by 2030, 50% by 2040
- Carbon neutral in Scope 1 and 2 by 2040

Our business partners play a critical role in the sustainable and safe delivery of Nobian’s high-quality products and services, and supplier engagement has been identified as a key sustainability topic in our materiality assessment. Nobian is integrating sustainability when procuring products and services, with an emphasis on environmental attributes as well as other social and ethical criteria as appropriate and applied in the value chain.

This Policy sets out how we will source sustainable at Nobian, and how we will measure and improve the sustainability of suppliers to continue to achieve our sustainability objectives and deliver value to our customers.

Governance and responsibilities

The central responsibility for the development of implementation, monitoring and reporting on the sustainability program lies with the cross-functional Sustainability core team. This team is headed by The Sustainability Manager. The members of the core team come from all relevant functions each having their own specific focus area for which they are responsible. Each member has a sponsor from the Leadership Team accountable for the specific focus area. For sourcing the Procurement Director is core team lead and Executive Vice President Integrated Supply Chain is Leadership Team member.

The Procurement Director is responsible for this Sustainability Policy. The Policy will be reviewed, and if necessary updated, at least once per year.

What is Nobian's approach to sustainable procurement?

We expect our business partners conduct business with integrity, compliance, and business ethics

All our business partners must agree to our Business Partners Code of Conduct. We expect from our business partners:

- To comply with applicable laws
- To conduct business ethically
- To respect human rights
- To provide a safe and healthy working environment
- To protect the environment
- To adhere to responsible sourcing standards

We expect our business partners to take responsibility towards sustainability

Nobian has integrated sustainability into the procurement processes, for instance in the selection criteria and the onboarding process of new vendors, as part of the supplier evaluation and category management.

EcoVadis

To measure and track our own sustainability performance as well as sustainability progress of our business partners we work with EcoVadis.

EcoVadis is a worldwide provider of sustainability ratings and intelligent, collaborative performance improvement tools for global supply chains. EcoVadis' sustainability scorecards provide detailed insights into environmental, social and ethical risks of our supply chain.

We require our business partners to complete the EcoVadis assessment or similar sustainability rating by a reputable sustainability rating agency. The evidence-based assessments are refined into easy to read scorecards, providing zero to one hundred (0-100) scores, and medals (bronze, silver, gold), when applicable. Additionally, the scorecards provide guidance on strengths and improvement areas, which the rated companies may use to focus their sustainability efforts and develop corrective action plans to improve their sustainability performance.

We perform regular Supplier Sustainability Risk Assessments

We actively engage with our business partners to jointly improve our sustainability performance. To this end we have developed a comprehensive Supplier Sustainability Risk Assessment by taking into account: the suppliers contribution to our Scope 3 CO₂ emissions, their plans to reduce the carbon footprint of their materials or services in line with Nobian's ambitions, and their EcoVadis score or equivalent scoring from a reputable sustainability rating agency. Through this assessment we classify our business partners as having a negative, neutral or positive impact on Nobian's sustainability ambitions.

We follow up with our suppliers with neutral and negative impact with the aim to ensure environmental and social practices are in line with Nobian's ambitions. These suppliers are engaged to jointly search for areas for improvement, for example by setting up plans to reduce the carbon footprint of their materials or services in line with Nobian's ambitions, improving knowledge through training or devising plans to improve their sustainability rating. This includes performing on-site audits.

The Supplier Assessment is evaluated twice a year to track progress and is fully embedded in accordance with our Sustainable Procurement Policy. If our suppliers have a negative or neutral score, we actively increase engagement with them to accelerate improvement of their sustainability performance. Suppliers performing strongly on sustainability are more often selected, or chosen for increased orders, while consistently weak performers are more likely to lose their position.

The Sustainability Assessment will influence our decision making on sustainable procurement.

Functional Owner: Procurement
Approved by: Legal