



# Sustainable Procurement Policy

February 2024



## Introduction

This policy commits us to reducing the adverse effects of our business activities in Interroll's supply chain. With Sustainable Procurement, we contribute to improving the performance of our supply chain in terms of business ethics, environmental and social concerns, labour and human rights, and the upstream procurement practices of our suppliers. We request from our suppliers to apply the international standards on working conditions and responsible business practices endorsed and recognized by Interroll.

Interroll also practices corporate responsibility in the supply chain locally. With our procurement strategy, we promote local communities by increasingly purchasing from suppliers in the same country. In this way, we actively strengthen societal success in the areas surrounding our sites. In addition, we shorten supply routes with a positive ecological contribution by traffic reduction.

We hereby define a procurement policy that covers our entire supply chain. In doing so, we are creating a basis for the increasing transparency expectations of our stakeholders and legislators. Our aim is to systematically record the environmental and social impact risks in the supply chain and reduce them with suitable measures.

Interroll has a zero-tolerance policy of human rights violations. This is incorporated in our Supplier Code of Conduct (SCoC), which is one of our contractual framework conditions in procurement.

Sant'Antonino, February 2024

A handwritten signature in black ink, appearing to read 'Ingo Steinkrüger'.

**Ingo Steinkrüger**  
*Chief Executive Officer*

A handwritten signature in blue ink, appearing to read 'Heinz Hössli'.

**Heinz Hössli**  
*Chief Financial Officer*

The generic masculine is used in this document. Pronouns and designations refer to all genders, unless otherwise stated.



## Qualitative Objectives and Quantitative Targets

Qualitative objectives and quantitative targets are defined for the entire Interroll Group and are to be achieved by the specified time.

Specific implementation plans are developed for each Interroll entity to achieve the goals based on their individual starting situation.

Objectives	Targets	Date
<b>ESG is an integral part of our business relationships and contractual framework</b>	All new suppliers have signed the Interroll Supplier Code of Conduct (SCoC)	Continuously
<b>We regularly carry out ESG risk analyses as part of our supply chain management</b>	All suppliers are screened for environmental and social risks	Annually
<b>We strive to reduce negative environmental and social impacts across our supply chain</b>	All new suppliers are assessed against environmental criteria	2025
	All new suppliers are assessed against social criteria	2025
<b>Our procurement strategy supports local communities through local purchasing</b>	Increase in the share of procurement expenditure with suppliers in the same country	Annually
<b>We respect human rights and have a zero-tolerance of such violations</b>	No confirmed incidents of forced labour	Continuously
	No confirmed incidents of child labour	Continuously
	No confirmed incidents of human trafficking	Continuously

## Our Sustainable Procurement activities support the following Sustainable Development Goals (SDGs):



### 1. NO POVERTY

Target 1.2: Reduce poverty by at least 50%

### 3. GOOD HEALTH AND WELL-BEING

Target 3.8: Achieve universal health coverage

Target 3.9: Reduce illnesses and deaths caused by hazardous chemicals and environmental pollution

### 5. GENDER EQUALITY

Target 5.1: End discrimination against women and girls

Target 5.2: End all violence against and exploitation of women and girls

### 8. DECENT WORK AND ECONOMIC GROWTH

Target 8.7: End modern slavery, human trafficking and child labour

Target 8.8: Protect labour rights and promote safe working environments

### 12. RESPONSIBLE CONSUMPTION AND PRODUCTION

Target 12.6: Encourage companies to adopt sustainable practices and sustainability reporting

### 13. CLIMATE ACTION

Target 13.1: Strengthen resilience and adaptive capacity to climate-related disasters

### 14. LIFE BELOW WATER

Target 14.1: Reduce marine pollution

### 15. LIFE ON LAND

Target 15.5: Protect biodiversity and natural habitats

### 16. PEACE, JUSTICE AND STRONG INSTITUTIONS

Target 16.2: End abuse, exploitation, trafficking and violence against children

Target 16.5: Reduce corruption and bribery



## Governance

The Board of Directors and Group Management are responsible for ensuring that our Sustainable Procurement requirements are considered and implemented in the company's overall strategy. They ensure that the responsibilities for risk identification, setting objectives and targets, provision of resources, implementation and reviews are clearly defined.

The Group Management must regularly inform the Board of Directors on the topic of Sustainable Procurement and its risk assessment. This ensures that the Board of Directors possesses the requisite knowledge to evaluate these aspects.

Within Interroll's organizational structure, the Chief Operations Officer has overall responsibility for Sustainable Procurement.

The Chief Financial Officer is responsible for assessing and reporting on procurement-related risks as part of the annual ESG risk inventory. The resulting reporting in accordance with Article 964b Swiss Code of Obligations is submitted by the Board of Directors to the Annual General Meeting for approval.

Operational implementation and service provision are delegated to the Vice President Strategic Purchasing and the local management of the legal entities.

## Compliance

Compliance with this policy and local legal obligations regarding Sustainable Procurement is annually reviewed by the Group Management through Corporate Compliance.

## Reporting

The status of and measures taken to achieve the Sustainable Procurement goals and targets as well as the consolidated performance of the KPIs are published annually in Interroll's non-financial reporting.