



Responsible Procurement Statement



Purpose and Approach

This statement and associated guidelines apply to all companies within Coor Group. The Group's purchasing should contribute to Coor's long-term profitability by a sustainable supply of products and services in both the short and long term. Coor sets high demands throughout the entire value chain and strive for sound business ethics towards our suppliers.

This statement regulates in a uniform way how the group manages activities related to procurement as well as defining roles and responsibilities for the area. Purchased goods and services represent a large portion of Coor's costs and play a central role in Coor's delivery to customers. Coor imposes high standards, whereby the purchasing for the business is to be conducted in a professional manner based on Coor's commercial, environmental, social, and quality requirements. All employees and partners must comply with Coor's Code of Conduct (CoC).

We support the principles contained within the International Bill of Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the ILO's Declaration on the Fundamental Principles and Rights at Work.

"Supply chain sustainability is the management of environmental, social and economic impacts and the encouragement of good governance practices, throughout the lifecycles of goods and services." *

* Supply chain sustainability A practical Guide for Continuous improvement second edition, 2015, UN Global Compact office and BSR



Responsible Procurement

Coor's strategic goal is to be a truly sustainable company. It requires that we follow our Procurement processes supporting our Business, Social and Environmental requirements.

Coor is committed to be a truly sustainable company. Coor's sustainability strategy is targeted and measured according to Triple bottom line. Coor has signed the UN Global compact (UNGC), which is a voluntary initiative for corporate responsibility to guide all businesses regardless of size, complexity, or location. Coor is committed to align with the UNGC's Ten Principles within Human rights, labour rights, Environment, and anti-corruption, have a leadership commitment, taking action that advance societal goals and reporting our progress on how we embed the Ten Principles into our strategies and operations, as well as efforts to support societal priorities.

Business Responsibility

Coor will achieve long-term business sustainability through stable, profitable financial development while upholding strong business ethics and customer relations.



Social Responsibility

Coor contributes to a better society by acting as a responsible and stimulating employer, and by contributing to a positive social development in the areas in which Coor operates.



Environmental Responsibility

Coor contributes to a better environment by actively reducing the environmental impact and resource utilization that the company and its customers create.

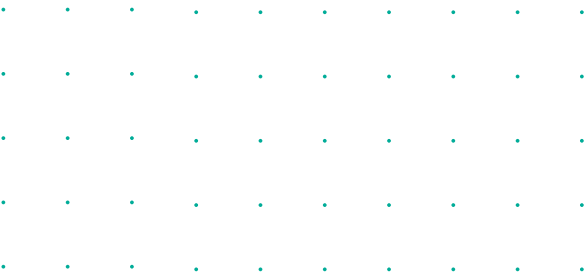


Responsible Procurement Process

The Procurement organization is an integral part of the business operations and have a huge impact on its value chain. To achieve the impact on supply chain sustainability Procurement has adopted the UN global compacts management model. The model is described in the following process steps: Commit, Assess, Define, Implement, Measure and Communicate.



Responsible Procurement Process, Framework adopted by Procurement Organization



The supply chain purchasing practices shall contribute to Business Responsibility, Social Responsibility, and Environmental Responsibility by:

Business Responsibility

Good business ethics and fair conditions in the supply chain is a key factor in Sourcing decisions. Coor has a zero-tolerance policy towards breaches within anti-corruption and anti-bribery.

- To ensure supply chain sustainability, Coor has developed governing documents that all suppliers must accept before entering an agreement. Code of conduct for suppliers, sustainability requirements for suppliers, Information Security and General terms & conditions are included in the supplier agreements. The supplier agreements shall always be based on Coor's templates.
- Coor's frame agreement are mandatory to use when these cover the sourcing need. The frame agreements are negotiated considering, risk, health & safety, environment, quality, human rights, and business ethics.
- Coor's Supplier Due Diligence Process must be followed. The process has adopted a risk management framework and quality assurance to continuously work with supplier engagement and develop our supply chain.
- Coor must always act in accordance with fair and sound business ethics and ensure high ethical standards and procurement shall therefore as far as possible be based on competition between at least two suppliers.
- Coor and all Coor staff must strictly follow the Group wide Code of Conduct and Anti-corruption policy.
- Managers and employees right to place orders and sign contracts is stated in Coor's Payment authorization Instruction.

Social Responsibility

The overall ambition within the social area is to strive for a better society throughout the value chain by acting as a responsible and respectful employer as well as contributing to improved social progress within the geographies we are operating.

Our commitment to respecting human rights includes a full value chain approach, focusing not only on our own activities but also on our supply chain. Responsible procurement practices are one of our most important tools for responsible business and Coor shall adapt our procurement methods to strengthen, and not undermine, our suppliers' ability to deliver on our requirements related to human rights.

Therefore, Coor evaluates and selects our suppliers and contractors, taking into consideration required standards for protection of human rights.

This will be achieved by Coor taking all people's equal value and rights into account, and by providing all staff with a good, safe, fair, non-discriminatory work environment. We expect the same conditions from our suppliers.

- The procurement must be conducted in accordance with Coor's CoC, human rights, labour rights, working conditions and health and safety.





Environmental Responsibility

Coor has an extensive environmental work and set high standards to reduce our environmental footprint. By conscious use of resources, we reduce our environmental impact. We strive to source services and products that have been produced in a sustainable manner.

Coor has joined the Science Based Targets initiative (SBTi) and is committed to have science-based targets (SBT) in line with the latest climate science. One of Coors SBT is a supplier engagement target.

- Coor require our suppliers to set climate targets in line with SBTi.
- Engagement target covering 75% of suppliers by emissions until 2026.

Supply chain due diligence

Coor performs risk-based due diligence by regularly and systematically identifying and assessing risks and consequences linked to human rights, labor rights, the environment and business ethics in its value chain and uses this information to avoid, mitigate or remedy the effects to ensure that the company conducts its business in a responsible manner.

Furthermore, Coor monitors our contracting parties' performance where appropriate, by conducting supplier assessments and supplier audits. Coor engages with our contracting parties through dialogue and cooperation to continually advance the application of the required principles regarding human rights, labour rights, environmental and anti-corruption. Our ethical requirement towards suppliers is described in Supplier Code of Conduct.



Contact

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