

Royal Den Hartogh Logistics

Procurement Policy

18-07-2024



Procurement Policy Statement

Den Hartogh Logistics is dedicated to sustainable growth, aiming to achieve business success that support wealth generation for the future while preserving opportunities for generations to come. This policy, aligned with our Supplier Code of Conduct (SCOC), fosters sustainable procurement to minimize environmental impacts, promote social responsibility, and support economic sustainability. We strive to embed sustainability in our procurement and decision-making processes, adding value to our stakeholders and supporting a greener future.

Den Hartogh is committed to sustainable procurement practices that minimize environmental impact, promote social responsibility, and support economic sustainability. We aim to integrate sustainability into our procurement processes and decision-making to create value for our stakeholders and contribute to a greener future.

The policy describes the standards to be taken to minimize our impact on the environmental and social impacts from our suppliers, contractors and third party operations. Qualitative and quantitative targets to support our sustainable growth and environmental pillars are outlined in the document.

Scope of Policy

This policy applies to all Den Hartogh Logistics operations worldwide, including but not limited to suppliers, contractors and outsourced transport services. It covers health and safety, sustainability, human rights and corporate governance guiding principles.

Objectives & Approach

Reduce environmental impact by sourcing materials and services that will contribute to our goal of lowering carbon footprint in the supply chain. Promote ethical practices working with our suppliers adhere to fair labour practices and human rights. Support local economies sourcing from local suppliers to strengthen community economies. Enhance efficiency by improving operational efficiency through sustainable logistics practices.

Roles and Responsibilities

Position/Committee	Description of Responsibility
<i>Board & Executive Committee</i>	Final responsibility of setting and achieving all targets and providing the resources to the business to achieve the targets that are set.
<i>Procurement Director</i>	Final responsibility for the reporting on environmental topics. Also responsible for complying with local legislation and maintaining the required ISO standards
<i>Procurement Team</i>	Responsible for keeping track of progress of the environmental targets, informing and consulting the Procurement director on all relevant supplier compliance.

Supplier Selection

Supplier should demonstrate good management of environmental, social and business ethics issues and have appropriate policies and management systems in place where appropriate. This must cover their supply chain and any subcontractors. We will strive to appoint suppliers who have good environmental, social and financial controls in place.

We will aim to work with supply chain partner who have a sustainability strategy with clear objectives to improve performance, who will support Den Hartogh to improve our sustainability performance. Final consideration on the balance cost against sustainability benefits.

Health and Safety

Safety, in every respect, has the highest priority in Den Hartogh Logistics. Safety is **No. 1 Priority** in Den Hartogh. Den Hartogh Logistics operates in an industry where risks are always present in our working environment, especially for drivers, operators, but also includes risks suppliers and other stakeholders. We want all our colleagues and everyone working in our supply chain to return home safely.

Human Rights and Labour Standards

Den Hartogh will adopt appropriate due diligence on our supply chain human rights, especially with suppliers in high-risk industries, and take all actions available to avoid complicity with human rights failures. Den Hartogh expects that all suppliers adhere to all human rights legislation to not use forced, involuntary and underage labour within their own operations, and have robust processes in place to ensure this applies across their supply chains.

Suppliers are required to have good labour practices, including fair and equitable employment relationships, good conditions of work and social protection, social dialogue, health and safety at work, human development and training for staff.

Sustainability and the Environment

Promote transparency and accountability with open communication with suppliers about sustainability expectations with regular reviews on supplier performance against sustainability principles.

Engagement with stakeholders both internal and external in our environmental journey. Den Hartogh has a history of participation in the Responsible Care initiative® and promotes its use with our supply chain partners. We engage with our subcontractors to implement good environmental practices and procedures which support our own objectives and targets. To support sustainable growth, we encourage responsible management by our service providers.

Developing with Den Hartogh in the pursuit in the reduction of greenhouse gas emissions across the Den Hartogh Supply Chain. Reduction in emissions by cutting energy consumption via optimisation, driver training, operating the most modern trucking fleet and energy saving measures. As an organisation we strive to make use of intermodal solutions on any lane that this is fitting. For deep-sea shipping transport we offer the biofuel book-and-claim system by our deep-sea shipping partners.

Governance

We will strive to operate appropriate procurement procedures and expect suppliers to have robust corporate governance procedures in place. We will treat our business partners fairly, with integrity and honesty, and expect to be treated the same in return. We commit ourselves without reservation to the principle of fair competition and expect the same from our business partners.

Den Hartogh will comply with the rules of the competition, anti-bribery legislation and antitrust laws in relation to our customers, suppliers and competitors. In return we expect our suppliers to have robust practices in place to prevent corruption, to ensure fair competition and responsible political involvement, promote sustainability within their supply chain and respect property rights.

Quantitative Targets:

Target	Relevant scope(s)	Final Responsibility	Review mechanism
Target 5% suppliers having signed implemented Supplier Code of Conduct	Approval and review process	Procurement Director	Annual review in the SRM system on compliance

Site audits 1 x 3 years for Key suppliers	Monitoring and compliance audits	Procurement Director	Quarterly review on site audit reports and non-conformance improvements
10% GHG reporting oof key suppliers	All transport emissions (Scope 1; S3 categories: 3 &4)	Board & Executive Committee	Yearly reports on CO ₂ emissions are compared to the base year emissions of 2019

Review and Continuous Improvement:

This policy will be reviewed annually to assess progress against targets and adjust strategies as necessary. Conduct an annual review of the policy and its effectiveness, making necessary adjustments based on performance data and stakeholder feedback.