

## FPS Global Policy on Sustainable Procurement

FPS procurement vision is developing a preferred supplier base that supports FPS's competitiveness and the success of our customers. We engage suppliers to ensure our commitment to sustainability encompasses more than just our own operations and expect our suppliers to uphold the same levels of integrity, responsibility and commitment to sustainability that we do. By actively working with suppliers, we minimize potential environmental and social risks while creating opportunities to efficiently use materials and implement solutions that positively impact our customers.

At FPS primarily manage two streams of suppliers: raw materials and centralised third-party manufacturers (C3PM). Procurement and C3PM teams track monthly improvements in material costs, working capital, deal terms and inventory.

We select suppliers and third-party manufacturers from the candidates based on criteria related to quality, CSR, business continuity and manufacturing ability. All approved suppliers and third-party manufacturers are evaluated periodically by FPS teams based on the same criteria.

FPS identifies relevant CSR risks prior to supplier assessments or audits by determining the specific CSR risks that are most relevant to our organization and industry. Common areas of focus include labor standards, human rights, environmental impact, corruption, health and safety, and supply chain transparency.

We ensure that our suppliers uphold ethical practices, respect human rights, and provide fair working conditions to their employees. Suppliers are expected to comply with applicable labor laws, including non-discrimination, child labor prohibition, fair wages, and safe working conditions. We support diversity and inclusion by actively seeking suppliers owned by women and underrepresented groups and promoting equal opportunities.

We outline our expectations for our suppliers in our Supplier Code of Conduct (SCoC), which sets out the standards of ethical, social and environmental conduct that we expect from our suppliers. It applies to our raw material suppliers as well as third-party manufacturers.

Furthermore, FPS requires all suppliers to comply with applicable national and local laws, rules, regulations, and requirements. When federal or local laws are less restrictive than the expectations in the Supplier CoC, we encourage our suppliers to follow our conduct. Our Supplier Code of Conduct is part of the agreements that have to be signed by our suppliers.

FPS collaborates with suppliers to assess their current performance and identify areas for improvement. This involves conducting audits and assessments to evaluate suppliers' environmental or social practices and identify gaps or areas requiring corrective actions.

FPS's supplier screening and auditing process ensures everything we source exceeds industry standards. On-site audits are conducted by FPS Team members who are competent. New and current suppliers are audited in accordance with FPS audit procedure. FPS supplier audit procedure contains the following criteria:

- Quality Assurance, Product Safety and Quality Control
- Good manufacturing practices (for the ones which produce food-grade products)

- Health and Safety
- Corporate Social Responsibility and Environment

The suppliers which are not audited are subjected to a self-assessment process. A questionnaire is sent to suppliers and filled questionnaire with the supporting documents is evaluated by authorized FPS team members.

FPS supports to enhance the knowledge, skills, and capabilities of suppliers to effectively address and manage environmental or social concerns within their operations. It involves providing training, guidance, and support to help suppliers understand and implement corrective actions that align with sustainability goals and standards.

FPS encourages suppliers to engage with relevant stakeholders, such as local communities, NGOs, or industry associations, to foster collaboration and knowledge sharing on environmental or social issues.

FPS's suppliers across the globe are accessible to all facilities. This is built as a part of our contingency plan. Our facilities are equipped to pivot quickly by contacting alternative raw materials and third-party suppliers within our network to ensure our production line continues. FPS' manufacturing facilities supplement backup manufacturing sites and sub-suppliers as alternatives to ensure our operating plants run uninterrupted.

Effective: 1 June 2023