

# RESPONSIBLE PROCUREMENT POLICY

2025 revision

H.ARV 81  
GROUP



## **INTRODUCTION**

### **The Harv 81 Group**

The HARV 81 Group is an expert in the field of closures, oak, and labels.

Back in 1981, the journey began with a single cork stopper, a bottle of wine, and the founding vision of the group: to deliver the highest quality natural corks for the world's finest wines. With an unwavering commitment to quality in all aspects of our work, we have earned the trust of the wine industry, becoming a valued partner.

With a deep commitment to quality, the Group supports the wine and spirits producers, by providing consistent and reliable solutions. United by a common purpose and shared principles, we stand as interconnected shareholders and companies driven by innovation.

As global industry leaders, we prioritize long-term business success through the production and distribution of superior wine products and services, while never losing sight of our goals and our commitment to sustainability.

## **BACKGROUND**

*"With a clear 3P strategy in place, well-calculated targets, and a dedicated multidisciplinary global team, we are focused on Harvesting for the Future in everything that we do."*

Jochen Michalski, President of the Harv 81 Group.

### **We are RESPONSIBLE from the forest to the bottle**

At HARV 81 Group our commitment to ethical business practices extends beyond our operations to encompass our entire supply chain. Building on our established Supplier's Code of Conduct, we are proud to introduce our Responsible Procurement Policy, which is designed to ensure that our procurement processes align with our core values of responsibility, integrity and sustainability.

This Responsible Procurement Policy of HARV 81 Group is an expression of the company's commitment to sustainability and a reflection of our values. We seek to improve our social and environmental impact, while being accountable for all the production process, from the forest to the bottle.

Accordingly, a defining aspect of our sustainability agenda "Harvesting for the Future" is its focus on working together with the ecosystem in which we operate, as we acknowledge the fundamental role of our supply chain in managing the impacts of our products and activities.

For this reason, the integration of sustainability practices into procurement processes is a central concern. In this context, screening suppliers aims at ensuring the alignment of our sustainability agenda with their practices, and consequently, to improve the positive impacts of our products, while minimizing its negative impacts.

We respect the environment and the community in which we operate, and we want to work with suppliers whose values are aligned with ours, which is why we prioritize working with partners with a positive social and environmental impact.

### **We are COMMITTED to influencing our supply chain**

The Harv 81 Group is defined by its transformative character, its boldness, and innovative spirit, which sustain our resilience. We accept that challenging the status quo is part of the journey and that keeping an open mind for the changes to come, is a determining condition for growing.

Our commitment to sustainability encompasses accountability for the impacts of our products. For this reason, we are focused on making a difference by integrating sustainability considerations into our procurement decisions. We seek an alignment between our values and our supplier's conduct, which in practice, will be measured by the level of commitment to corporate social and environmental responsibility. This will be verified through an assessment we designed, which we request suppliers to fill.

The sections below specify which criteria are assessed in each impact area. It is a general view of the criteria assessed, as these are tailored to the different types of products we purchase, as each product category demands its own set of considerations based on the main impacts associated with it.

### We prefer environmentally responsible partners

Environmental responsibility encompasses not only compliance with existing legislation but also an additional effort to minimize the negative impact associated with the activity, while maximizing its positive impacts. This includes, but it's not limited to, the existence of management systems, to the efficient use of natural resources (water and energy), to managing the impacts of business activities (on biodiversity, waste generation and GHG), and the product's longevity (upgradeability and warranty, for example). We also consider the "local" factor, prioritizing the purchase from local suppliers, which varies by region and manufacturing unit. This aspect will be evaluated internally by our procurement team, which maintains a list of preferred suppliers for each manufacturing unit.

We recognize the importance of ensuring that the natural resources used in our operations are obtained in an ethical and sustainable manner. Therefore, we have reinforced our policy with clear guidelines over the raw materials' origin, ensuring that our supply chain positively contributes to the conservation of ecosystems and the well-being of local communities. Aware of the need to increase sustainable forest management worldwide, the Harv 81 group, through Cork Supply operations, as a user of forest products, has established the following priorities for forest areas:

- Whose use preserves traditional and civic rights.
- Where there isn't a threat to the values of high environmental conservation interest.
- Where there has been no recourse to planting genetically modified trees.
- Where the law on cork harvesting has been complied with.

#### We prefer socially responsible partners

Social responsibility encompasses not only respect and vigilance for the Universal Declaration of Human Rights, for the International Labor Conventions, and compliance with national legislation concerning employment, but it also entails the generation of social benefits for the company's workforce and for its local community.

Social responsibility towards the company's workforce entails, amongst other criteria, tracking and promoting diversity in the workforce, providing training to everyone (on professional and non-professional skills), and ensuring health & safety safeguards exist and are respected.

Social responsibility towards the local community entails philanthropic initiatives, such as projects for community development, volunteering programs, and potentially partnerships for improving the community's wellbeing.

#### We prefer governance-responsible partners

Corporate responsible governance refers to business integrity. It is evaluated in terms of transparency, stakeholder engagement, and ethical conduct. This includes addressing issues like corruption, bribery, money laundering, tax evasion,

and embezzlement. Additionally, it involves ensuring client satisfaction guarantees and maintaining ethical and responsible procurement practices. This comprehensive approach ensures that the company's operations positively affect all stakeholders while adhering to high ethical standards.

#### We value economic competitiveness

These criteria also integrate financial indicators to ensure that the assessment reflects the company's economic viability alongside its ethical practices.

We look for a balance between ESG criteria and financial competitiveness. Thus, we will include economic criteria in our suppliers' screening process, along with ESG factors, to ensure the long-term sustainability of our business operations. This approach will help us maintain financial stability, manage risks effectively, and support responsible growth, ensuring our operations remain resilient and sustainable in the long run.

This last criterion will be assessed by Harv 81 Group's internal procurement department, and it encompasses criteria related to the offer's competitiveness, to the supplier's reliability and to the quality of the product.

#### **Suppliers' screening**

The criteria here presented are systematized in an assessment to be filled by potential suppliers. Their responses will be translated into a quantitative evaluation of the supplier's level of corporate social and environmental responsibility, and alignment with Harv 81's sustainability agenda. Suppliers evaluated with a higher score will be preferred. While compliance with the criteria here described is not mandatory, we prioritize and appreciate suppliers who voluntarily meet these standards, as it reflects their dedication to maintaining high sustainability standards and fostering long-term, trust-based relationships. Also, free training on sustainability will be provided to any (potential) supplier requesting it, in order to avoid negative screening of suppliers, which could leave someone behind.

We prefer to work with responsible partners whose values align with ours.

## **IMPLEMENTATION & SCOPE**

The Harv 81 Group Responsible Procurement Policy came into force on the 1<sup>st</sup> of September 2023, and it applies to all companies of the Group. This is the 2025 revision. These guidelines shall guide the process of supplier selection, and its implementation must be monitored by the sustainability and procurement departments.

It shall be revised annually, to ensure its continuous alignment with the company's Sustainability Agenda and to adapt to varying conditions of supplying. Harv 81 Group's stakeholders are welcome to provide feedback on this policy, and on ways to better collaborate to integrate sustainability practices in the supply chain. To do so, please contact our Sustainability Department, at [sustentabilidade@corksupply.pt](mailto:sustentabilidade@corksupply.pt).

## **FINAL CONSIDERATIONS**

We are committed to sustainability. It is at the core of our identity and guides the way we conduct business. Thus, Harv 81's Responsible Procurement Policy is based on our values, expressed in our Suppliers Code of Conduct, and it aims at contributing to the successful implementation of our Sustainability Agenda: Harvesting for the Future. It reflects Harv 81's internal values, and therefore we expect that the principles expressed there are extended to the conduct of our stakeholders.