

RESPONSIBLE  
PROCUREMENT  
POLICY

H.A.R.V. 81

G R O U P

# INTRODUCTION

## **The Harv81 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 for Cork Supply, Tonnellerie Ô, and Studio Labels. 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 Harv81 Group.

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

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

Harv81’s Responsible Procurement Policy 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. Hence, we are committed to working on the future of the cork industry, by promoting collaboration in the cork sector, with producers, suppliers, and clients to strengthen efforts and synergies around the common challenges we face. Accordingly, *Harvesting for the Future* is the motto of our Sustainability Agenda.

The Harv81 Group is actively contributing to the implementation of the Sustainable Development Goals (SDGs), through an internal agenda that defines proprietary actions for the following years. A focus on specific SDGs ensures our contribution to the areas in which our business has the most significant impact. Harv81’s 3P strategy focuses on improving the Products, while positively impacting the Planet (operations and supply chain) and People (and communities). Within Products & Innovation, we contribute to the implementation of SGD 8 and 12, by maintaining and enhancing the environmentally beneficial characteristics of the raw materials in our products and ensuring efficient use of all cork materials, to utilize 100% of the raw material purchased.

Secondly, for Planet, Operations & Supply Chain we are working on reducing the environmental impact of our activities through a sustainable use of resources, climate change mitigation and adaptation, energy transition, and circular economy. The sustainable management of the supply chain is here integrated as a definitive contributor to SDGs 7, 12, 13, and 15.

Third, a meaningful contribution to People & Communities encloses providing a rewarding and challenging workplace, ensuring a healthy and safe workplace, improving the skills of our teams, and offering opportunities for further education and development. We also want to create a positive and strong connection to the communities in which we operate by creating socio-economic impact through the creation of direct and indirect jobs and a prospering local economy. We are confident that these actions will contribute to the attainment of SDGs 4 and 8.

A crucial aspect of this Agenda is the contribution of suppliers to the social and environmental impact of our products. For this reason, the integration of sustainability practices in the supply chain is a central concern. In this context, screening suppliers aims at ensuring the alignment of our values with their practices, and consequently, to improve the positive impacts of our products, while minimizing its negative impacts.

## COMMITMENTS

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

The Harv81 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 practices into our supply chain. 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 require suppliers to fill.

### 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. This includes, but it's not limited to, concerns associated with responsible extraction and transformation; preference for local products; resorting to low-carbon transportation; materials' recyclability; upgradeability; warranty, and the availability of repair options.

### 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 encompasses an additional effort to maximize the positive impact associated with the activity, while minimizing any negative impacts that may be associated with it.

This included the generation of social benefits, such as local hiring; tracking and promotion of diversity in the workforce; volunteering, and educative campaigns that benefit the community.

Also, business integrity is mandatory, as we condemn corruption, bribery, money laundering, tax evasion, and embezzlement. We expect our suppliers to condemn it and to have reporting mechanisms in place, to prevent these types of fraud.

#### We value economic competitiveness

We look for a balance between environmental impact, social performance, and economic competitiveness. This last criterion will be assessed by Harv81's internal procurement department, and it encompasses criteria related to the competitiveness of the proposed price, and to the supplier's reliability and 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. Suppliers evaluated with a higher score will be preferred.

## **IMPLEMENTATION & SCOPE**

The Harv81 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. 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. Harv81 Group 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, Harv81's Responsible Procurement Policy is based on our values, expressed in our Code of Ethics, Conduct and Social Responsibility, and it aims at contributing to the successful implementation of our Sustainability Agenda: Harvesting for the Future. It reflects H81's internal values, and therefore we expect that the principles there expressed, are extended to the conduct of our stakeholders.