



# Umicore Global Sustainable Sourcing Policy

---

V1.23-03-2022

## About

Umicore strives to have a positive impact. We enhance quality of life through our products and services, reducing harmful vehicle emissions, giving new life to used metals and powering the cars of the future.

The Umicore Way, is the cornerstone of everything we do at Umicore. It outlines our values of openness, innovation, respect, teamwork and commitment that are crucial to our success. It defines our mission: Materials for a Better Life.

The Umicore Global Sustainable Sourcing Policy is fully aligned with the Umicore Way, the Umicore Code of Conduct and the Global Framework Agreement on Sustainable Development between Umicore and the IndustriALL Global Union.

Umicore is committed to creating sustainable value with our global network of suppliers through a mutually beneficial relationship based on strong ethical business standards, trust and shared commitments to meet or exceed our customers' requirements. We therefore seek to do business with partners also committed to the principles of sustainable development and whose partnership supports and is aligned with our strategic ambitions.

Sustainable sourcing is one component in the Zero Harm pillar of Umicore's sustainability strategy. Umicore's Let's go for Zero strategy, which was announced in June 2021, is built using the following key pillars:

- Net Zero GHG by 2035
- Zero Harm
- Zero Inequality
- Best in class Governance

For more on our sustainability strategy, visit: [umicore.com/sustainability](https://umicore.com/sustainability)

Umicore pursues responsible sourcing certification wherever appropriate to highlight our best practices and to provide the necessary documentation to the increasing number of customers seeking assurance on our products.

To view our certifications, please visit: [annualreport.umicore.com](https://annualreport.umicore.com)

This Global Sustainable Sourcing Policy defines the Umicore approach to direct and indirect procurement in line with our commitments to promote fair dealing, to ensure health and safety, and to manage impact on climate and environment in our supply.

### THESE PRINCIPLES ARE APPLICABLE TO ALL OUR SUPPLIERS, AS A MINIMUM:

We expect our suppliers to be committed to business integrity, to promote the principles of sustainable procurement in their supply chain, to be compliant with international and local laws, to strive to minimize impact on climate and the environment and to respect international human rights legislation, to abolish child and forced labor and eliminate discrimination on their own sites and from their own suppliers.

**Umicore utilizes a risk-based approach** to determine where documentation, management systems and performance/compliance monitoring are necessary from suppliers to remain aligned with our continued commitment to sustainable and ethical sourcing. This approach includes considerations on size, business and supplier type, complexity and risk environment.

Additional considerations resulting from this risk-based approach that may apply for specific suppliers are highlighted throughout this Policy. In complement to this Policy, additional guidance exists for specific sourcing approaches, covering various aspects of sustainability including, but not limited to, environmental, health, safety, ethical or regulatory aspects.

These specific approaches include:

- [The Umicore Responsible Global Supply Chain of Minerals from Conflict Affected & High-Risk Areas](#)
- [Umicore Sustainable Procurement Framework for Cobalt](#)

## Umicore's engagement to you as a supplier

### FAIR DEALING WITH SUPPLIERS

We treat you with honesty, fairness and respect. Our purchasing activities are conducted in accordance with the highest ethical and professional standards, as set out in our Code of Conduct.

### TRANSPARENCY & COMMUNICATION

We take the engagement to report on a regular and consistent basis, both internally and externally, on our sustainable development supply chain project. In addition, we will provide feedback to suppliers regarding improvements in their sustainable development performance.

### IMPARTIAL SELECTION

We select suppliers based on objective criteria such as technical specifications, quality, price, service and technology, environmental and social impact.

### RELATIONS WITH LOCAL COMMUNITIES

We seek to include smaller-sized and local suppliers in our procurement processes, wherever possible, to support the local economy.

### HEALTH & SAFETY

We will apply the same health & safety standards to all contractors working on our sites as the ones we apply to our own employees.

Our relationships with suppliers and customers are essential elements in building financial and economic value and play a key role in the promotion of social and environmental best practice.

## Your engagement to Umicore

### 1 Business Integrity

#### CORE PRINCIPLES, FOR ALL SUPPLIERS

##### **LAWS & REGULATIONS**

You apply the highest standards of business and personal ethics and comply with all applicable laws and regulations in the countries where you operate. These include, but are not limited to export control regulations, economic sanctions, anti-money laundering and competition laws and regulations.

##### **CONFLICT OF INTEREST, CORRUPTION, FRAUD & ANTI-COMPETITIVE PRACTICES**

You are committed to work against all forms of corruption, extortion, fraud and bribery.

You do not offer any benefit to Umicore employees to facilitate your business with Umicore.

If you execute works at the request of or for an Umicore employee involved in any procurement decision-making process, you will inform and disclose this information to the site general management prior to execution.

##### **TRANSPARENCY & ACCOUNTABILITY**

You are committed to transparency and accountability in your business dealings and strive to detect and prevent illegal and unethical activities conducted through commercial transactions via the screening of your business partners, transactions and materials. You commit to collaborate in screenings conducted by Umicore of which you are the subject.

*We strongly advocate for our suppliers to foresee a process for their stakeholders to report grievances and ensure an anti-retaliation mechanism.*

*Umicore invites all stakeholders to report concerns or complaints about Umicore's business approach, or that of its suppliers, using our [Grievance contact form](#). Such complaints can be made anonymously.*

## 2

## Labor & Human Rights

### CORE PRINCIPLES, FOR ALL SUPPLIERS

You respect the ILO's Declaration on Fundamental Principles and Rights at Work and the international law on Human Rights. You are not complicit in Human Rights abuses. You do not compromise on a safe and healthy working environment.

In this context, you define and implement a policy, a management system and/or practices to ensure respect for the following principles on your sites:

- Abolition of child labor.
- Elimination of any form of forced or compulsory labor.
- Freedom from torture and inhumane or degrading treatment.
- Freedom of association and the right to collective bargaining.
- Promotion of diversity and inclusion, of equal opportunity, and elimination of discrimination and harassment, ensuring fair treatment in the workplace. Diversity includes gender, religion, race, national or ethnic origin, cultural background, social group, disability, sexual orientation, marital status, age or political opinion.
- Compliance with all applicable laws regarding wages, benefits and working hours (including overtime).
- Employee and contractor health and safety, with a management system that defines clear guidelines for risk analysis and risk management measures, including the provision of personal protective equipment, and an emergency response.

If you are operating on one of Umicore's industrial sites, the minimum age of any of your employees will be 18 years, except in the framework of internships or vocational training programs, organized in cooperation with schools and training institutes or approved by the competent authority.

### FOR SPECIFIC RAW MATERIALS SUPPLIERS

Based on our risk assessment, we may also require from specific suppliers to be signatories to, or be committed to alignment with, the Voluntary Principles on Security and Human Rights.

*We strongly advocate for our suppliers to foster a working environment with attention to overall employee wellbeing and where employees find training and development opportunities, where rewards are in relation to the contribution made by the employee, and where employees can engage in constructive dialogue with their employer.*

## 3 Environment & Climate

### CORE PRINCIPLES, FOR ALL SUPPLIERS

You comply with the applicable environmental laws and regulations in the territories in which you operate, and you possess all the necessary environmental permits and registrations, as a minimum standard.

You strive to minimize environmental impact, including on climate, while safeguarding the health and safety of your employees and of the public.

You maintain an environmental management system which enables you to continuously improve environmental performance. Documentation about this management system is updated and available.

You have procedures in place to prevent incidents. Your procedures are designed to mitigate consequences on the environment, should an incident occur. You identify and assess potential emergency situations and you implement an emergency response procedure to minimize their impact.

### FOR SPECIFIC RAW MATERIALS SUPPLIERS

Based on our risk assessment, we may also require some of the following from specific suppliers:

- You characterize and monitor the emissions to water and air of substances with a potential adverse effect on humans or the environment.
- You reduce solid waste generation through prevention, reduction, recycling and reuse.
- You characterize and monitor the emissions of greenhouse gases. You define targets and roadmaps for GHG emissions reduction, striving to be in line with the latest IPCC recommendation/Paris agreement.
- You monitor the water consumption, identify the areas affected by water stress and develop plans to reduce water consumption with a specific focus on these areas.
- You manage natural resources efficiently. You improve energy efficiency and increase the use of renewable energy.
- Any hazardous products or materials that you produce are always accompanied with up-to-date environmental information by way of an appropriate material safety data sheet.
- You identify and assess the potential impact of your operations on the neighborhood and take the appropriate measures to minimize if not avoid any adverse impact be it on the health of local residents or the environment.
- You understand the connection between your business activity and biodiversity and, as relevant, act to safeguard biodiversity.

*We strongly advocate for our suppliers to offer products with the lowest possible climate and environmental impacts from production, use and at end-of-life.*

## 4 Supply Chain

### CORE PRINCIPLES, FOR ALL SUPPLIERS

Due diligence begins with knowing your supplier. You understand your supply chain. You identify and you register your direct suppliers. You promote and communicate the principles of sustainable sourcing and procurement as stated in this Policy in your own supply chain.

Umicore pursues responsible sourcing certification wherever appropriate to highlight our best practices and to provide the necessary documentation to the increasing number of customers seeking assurance on our products. To view our certifications, please visit: [annualreport.umicore.com](https://annualreport.umicore.com).

See also:

- [The Umicore Responsible Global Supply Chain of Minerals from Conflict Affected & High-Risk Areas](#)
- [The Umicore Sustainable Procurement Framework for Cobalt](#)

### FOR SPECIFIC RAW MATERIALS SUPPLIERS

Based on our risk assessment, we may also require some of the following from specific suppliers:

- You comply or undertake to comply with Umicore guidelines/policies where Umicore has created dedicated guidelines, guidance, policies for suppliers of specific raw materials.
- When extracting, sourcing, transporting, trading, handling or exporting minerals from conflict-affected and high-risk areas, you comply with the specific Umicore guidance for Responsible global supply chain of minerals from conflict-affected and high-risk areas.
- You communicate to your suppliers about the need for them to comply with the ILO's Declaration on Fundamental Principles and Rights at Work and the international law on human rights.
- You provide additional information and commitments to comply with our own responsible sourcing certifications and due diligence schemes.

*We strongly advocate for our suppliers to adopt a supplier policy and to conduct due diligence that is aligned with this Policy and best practices, including: risk identification, management systems, mitigation actions, third party verification of due diligence practices, robust systems of logistical documentation and annual reporting on due diligence.*

# Monitoring

## ADHERENCE TO THE POLICY

To adhere to this Policy, we ask that you provide a signed letter of commitment to your Umicore business contact.

## IMPLEMENTATION

The Policy is the foundation of our relationship with our suppliers, and we follow-up on the implementation and on compliance.

You therefore undertake to maintain the documentation necessary to demonstrate compliance with this Policy and accept:

- To respond promptly to reasonable inquiries from our procurement representatives regarding implementation of the principles of this Policy, and, if applicable and necessary:
  - To complete a self-assessment question-naire, based on this Policy and to provide proof of any statements made therein.
  - To answer requests – either from Umicore or through a third party – to conduct site visits and/or audits to verify compliance with this Policy or elements thereof, as a result of the self-assessment process or of the inquiries.
- That, should elements of this Policy not be met, you are required to provide satisfactory explanation and/or evidence that corrective action is planned to amend the situation and prevent any recurrence. Your Umicore contact may support you in defining a corrective action.

Lack of cooperation from your side may result in the reconsideration of the business relationship.

## POLICY REVIEW

To continuously improve our contribution to a more sustainable world, Umicore commits to ensure that this Policy reflects customer and supplier feedback and reflects consideration of material societal challenges, with a review at least every 5 years. Any change shall be communicated to our suppliers.

## CONTACT

For any question or remark concerning this policy and its implementation please contact your Umicore business contact.

## GRIEVANCE MECHANISM

Umicore invites all stakeholders to report concerns or complaints about Umicore's business approach, or that of its suppliers, using our [Grievance contact form](#). Such complaints can be made anonymously.

## REFERENCES

- *The Umicore Way* <https://www.umicore.com/en/about/the-umicore-way>
- *The Umicore Code of Conduct* <http://www.umicore.com/en/governance/code-of-conduct>
- *Universal Declaration of Human Rights* <https://www.un.org/en/universal-declaration-human-rights>
- *ILO Declaration on Fundamental Principles and Rights at Work* <http://www.ilo.org/declaration/lang--en/index.htm>
- *Guidelines on occupational safety and health management systems ILO-OSH 2001* <http://www.ilo.org/public/english/protection/safework/managmnt/guide.htm>
- *Eco-Management and Audit Scheme (EMAS)* [http://ec.europa.eu/environment/emas/index\\_en.htm](http://ec.europa.eu/environment/emas/index_en.htm)
- *ISO 14000 series environmental management systems* <https://www.iso.org/iso-14001-environmental-management.html>
- *OHSAS 18001 Health and Safety Systems* <https://www.bsigroup.com/en-GB/ohsas-18001-occupational-health-and-safety>
- *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* <https://www.oecd-ilibrary.org>
- *Grievance mechanism* <https://www.umicore.com/en/contact> or [grievances@umicore.com](mailto:grievances@umicore.com)



For inquiries and additional information  
please contact

**Umicore**

Naamloze vennootschap – Société anonyme  
Broekstraat 31 Rue du Marais  
1000 Brussels  
Belgium  
BE92 2100 0538 0623  
RPR/RPM Brussels BE0401 574 852

Tel.: +32 (0)2 227 71 11

Fax: +32 (0)2 227 79 00

[www.umicore.com/contact](http://www.umicore.com/contact)

[www.umicore.com](http://www.umicore.com)

