



# LORENZ GROUP OUR RESPONSIBLE SOURCING COMMITMENT



We feel responsible towards all people connected with Lorenz – to our consumers, our own employees, our business partners and suppliers, and to the large and small producers of our raw materials all over the world. This also includes ensuring fair and respectful working conditions along the value chain. Given the complexity of global supply chains, this is a major challenge that we are constantly working on. This policy applies to all companies and all employees, managers, and bodies of the Lorenz Group\* (excluding Lajkonik, House of Bakery Sp.z.o.o and Compact Food Solutions AS). We believe that acting responsibly and supporting improvements alongside our supply chain is one key part to combine the joy of life provided by our snacks with the sustainable development of our company. Acting accordingly always gives us the right direction while making our decisions in regards to our partners, sourcing markets and materials.

## THIS IS HOW WE DEFINE RESPONSIBLE SOURCING:

- Responsible Sourcing is a holistic collaboration approach to assure a truly integrated up-to-date product and brand quality from „field to fork”.
- It comprises a set of integrated activities in the areas of ethical and social conduct, food safety, purchasing techniques and risk management measures that are driven by our values, comply with legal requirements and are endorsed by our consumers.
- It positively impacts people, organizations, communities and the environment along our supply chains in order to secure and strengthen Lorenz as a successful and independent family business for the next generations.

## OUR POLICY APPLIES TO BOTH DIRECT AND INDIRECT SUPPLIERS

At Lorenz, sustainability is at the core of everything we do. We are determined to improve the environmental and social impact of our actions by continuously challenging ourselves and our partners to do better. In addition to complying with all laws and regulations within the countries in which they operate, suppliers are requested to adhere to the minimum mandatory requirements defined in our Code of Conduct for Business Partners.

We acknowledge that no company can drive this change alone. Therefore Lorenz collaborates with its partners along the supply chain and strengthens the partnership with suppliers, farmers as well as governmental and non-governmental organizations. This is our approach to make a positive impact along the supply chain together: to build up trust with our suppliers and work together sustainably and successfully. Wherever possible we obtain raw materials directly from our contractual partners, for example our potatoes in the vicinity of our production sites.

In other countries like Mozambique or India, where we source our cashews and peanuts for example, direct contact with the grower is not always possible due to complex supply chains. Here we are working together with our suppliers and partners to establish control and transparency mechanisms. It is very important to us and part of our strategy to get actively involved on site and also to involve local residents. For example with the Nut Development Fund in Mozambique, which provides training for farmers, establishes Cashew tree nurseries and supports a Daycare Center for the children of our partner supplier. Through these collaborations we are building transparency and ensuring compliance along our supply chains.

We are convinced that sustainable development and business success strongly support each other. Sustainability brings increased competitive advantage and innovation, as well as cost savings through operational efficiencies, lower energy use and less waste for all value chain participants. Through this they can economically thrive and allocate the necessary resources to continuously drive their positive sustainable development forward. However, this is only possible if all value chain participants receive their needed share of profit. This fundamental economical need we acknowledge for us as Lorenz and concede also to the other partners in our value chain.

\*The "Lorenz Group" comprises Leithart Holding GmbH and all companies that are directly or indirectly majority-owned by Leithart Holding GmbH. Our commitment is subject to annual revision by the CSR Global Team and the Responsible Sourcing Department to assure conformity with our overall company goals (Version 3, 31.10.2025).



## OUR CONTRIBUTION TO UN GLOBAL COMPACT – PRINCIPLES, ACTIONS, GOALS

As a signatory of the Global Compact, we actively support the UN's 2030 Agenda. By using our purchasing expertise and networks we are advancing the 17 United Nations Sustainable Development Goals (SDGs) to build a better and more sustainable future for all. We are committed to promote

stakeholders within our supply chain to actively work against poverty, gender inequality, climate changes, environmental/biodiversity degradation and Human Rights violations.

The following overview shows how the 10 principles of the UN Global Compact align with our measures and goals, as described in detail in our Sustainability Report.

PRINCIPLE	ACTIONS	SDG (SELECTION)
<b>HUMAN RIGHTS</b>  <b>Principle 1:</b> Respect for international human Rights <b>Principle 2:</b> No complicity in human rights abuses	Lorenz Code of Conduct, employee training, SMETA audits, Tell us! portal, purchasing practices and code of conduct for business partners, development partnership in Mozambique, involvement with INA and SNI	<b>SDG 8, SDG 17</b>
<b>LABOR</b>  <b>Principle 3:</b> Uphold the freedom of association and collective bargaining <b>Principle 4:</b> Eliminate forced labor <b>Principle 5:</b> Abolish child labor <b>Principle 6:</b> Eliminate discrimination	Lorenz Code of Conduct, employee training, SMETA audits, Tell us! portal, purchasing practices and code of conduct for business partners, development partnership in Mozambique, Lorenz Mood Barometer, Health and Safety, corporate health management, agile working, professional development and trainings	<b>SDG 3, SDG 8</b>
<b>ENVIRONMENT</b>  <b>Principle 7:</b> Support a precautionary approach to environmental challenges <b>Principle 8:</b> Promote greater environmental responsibility <b>Principle 9:</b> Encourage the diffusion of environmentally friendly technologies	Plastic reduction and recyclability in our packaging, corporate carbon footprint and climate strategy, energy management system, electricity from renewable sources, in-house electricity generation, re-use of resources, biodiversity projects, FSC® and RSPO® certification	<b>SDG 12, SDG 13</b>
<b>ANTI-CORRUPTION</b>  <b>Principle 10:</b> Work against corruption	Lorenz Code of Conduct, employee training, SMETA audits, Tell us! portal, purchasing practices and code of conduct for business partners	<b>SDG 8</b>

To achieve these goals means a continuous and challenging journey for us. Finding out that some partners in our supply chain are not fully complying with these goals and with

our expectations does not necessarily mean to end the partnership, but to start working immediately together to improve the situation.

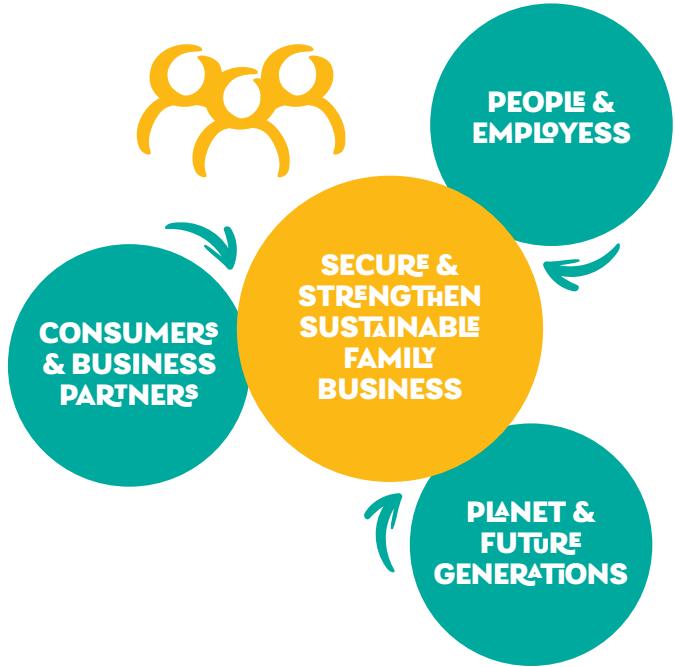
## OUR OVERALL RESPONSIBLE SOURCING GOAL ON

### ONE SIGHT:

Our aim is to secure and strengthen Lorenz as a successful and independent family business for the next generations and at the same time to positively impact people, organizations, communities and the environment along our supply chains.

### TO SECURE THE RESPONSIBLE SOURCING APPROACH, FOLLOWING BASICS HAVE TO BE CONDUCTED:

- All Lorenz suppliers have to acknowledge and to follow our "Code of Conduct for Business Partners".
- At least once per year a risk assessment is conducted in regards to social, legal, quality and environmental risks in regards to the supplier relationships.
  - The risk assessment is the basis for activities implemented internally or with the respective supplier to mitigate the risk.
  - Negative results in the risk assessment does not necessarily mean ending the partnership, but for sure: actively driving an improvement of the identified topics.
  - In case of the identification of relevant risks in our assessments, we provide online trainings via the Haufe Academy.
- Lorenz accepts and complies with all local laws and fosters the improvement of social and environmental standards along the supply chain.
- All buyers attended the internal responsible sourcing training.
- Lorenz is working steadily on an increased transparency of the supply chain in order to make the origins of the processed goods and services visible.
- On dedicated key suppliers and strategic materials we are working closely within pre-competitive platforms such as the Sustainable Agriculture Initiative (SAI), the Sustainable Nuts Initiative (SNI) and the Sustainable Spices Initiative (SSI). We also collaborate with governmental partners like GIZ and DEG.
- It is the goal to have all direct suppliers (raws and packs) registered on the Sedex platform.
- We aim to engage our suppliers to decrease their overall carbon footprint, and actively work with our stakeholders to promote environmental action and positive contribution to biodiversity. E.g. by fostering the growing of flower stripes next to the fields or initiatives to support regenerative agriculture.



- Lorenz commits to no-deforestation across its primary deforestation-linked commodities, with a target date of 2025. We will do this by assessing the risks within our own supply chain and establishing measures to avoid it.
- Although our use of palm oil is minimal, we are committed to sourcing 100% RSPO-certified palm oil from trusted suppliers.
- Our suppliers are required to monitor and ensure a consistent level of quality of their products and services and to comply with all quality requirements clearly stated in our specifications and contracts.

### GOVERNANCE AND RESPONSIBILITIES:

The respective goals and requirements are defined in consultation between the CSR Global Team and the Responsible Sourcing Department, including the Head of Purchasing. The supplier requirements are implemented by the respective buyer with the support of the CSR Business Partner in Purchasing. Buyers are trained by the CSR Business Partner in Purchasing and the CSR Global Team, which also carry out annual risk analyses and monitoring.

To make our commitment and progress traceable we publish a Sustainability Report on a yearly basis. The Report and more information about our Responsible Sourcing activities is available on our website: <https://lorenz-snacks.com/sustainability>

Follow us on our journey to build and maintain sustainable and transparent supply chains!

Moritz Bahlsen  
Executive Board Member

Stephan Hochstein  
Managing Director

Mark Mayer  
Director Purchasing International