



Global Policy
ESG / Sustainability
Environmental – Social – Governance

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1. ESG Mission

1.1. Statement on ESG mission

At Envu, we believe that ensuring longevity requires a different perspective. To solve the biggest challenges that our customers, communities and society face, our focus must be on the future of our environments. That focus requires us to work alongside our customers, on the ground, to see and understand challenges through their eyes.

Realizing our vision for a more sustainable future requires us to solve problems faster. Smarter. More efficiently. As a business, we see environments from micro to macro and have a deep understanding of how to help them flourish. We pair this point of view with a laser-sharp industry focus to benefit our customers. This deep expertise and care for our customers combine to create two invaluable results: trust and impact. Trust that we can identify the issues at hand and create lasting, sustainable solutions. And impact: for the customers we serve; the communities we all live and work in; and the environments that, without proper care and urgent attention, face serious risks.

As leaders in this industry, and members of the very communities we aim to serve, envisioning a more sustainable future is only the beginning. We strive to lead the way toward that future – because the challenges we solve today ensure a healthy future for all.

1.2. ESG Policy Scope

Envu's ESG Policy applies to all Envu employees and locations across the organization and considers business partners as key stakeholders in advancing the company's ESG efforts.

The scope of this Policy includes:

- identifying ESG topics associated with business activities
- evaluating how Envu manages the impacts of these topics on employees, communities, and the environment in which it operates
- identifying measures to be put in place to reduce and mitigate any possible negative impact.

This Policy serves as a framework for continuous improvement and accountability in promoting environmental, social, and governance responsibility.

2. ESG Priorities

2.1. Double materiality assessment

Between October and December 2023, Envu conducted a Double Materiality Assessment to better understand, evaluate and report on their critical sustainability impacts, risks, and opportunities (IROs) in the short-, medium- and long-term. Double materiality is also one of the key principles of the EU Corporate Sustainability Reporting Directive (CSRD) European Sustainability Reporting Standards (ESRS), and is therefore a key first step towards future, possible regulatory requests from EU



ESG-related laws and regulations. This also allowed Envu to capture how stakeholders view key ESG topics that are likely to affect Envu’s enterprise value (“financial materiality”), as well as the ways in which Envu impacts society and the environment (“impact materiality”). The assessment will be refreshed on an annual basis and continue to refine Envu’s ESG strategy as material topics change in importance over time.

2.1.1. Key relevant ESG topics

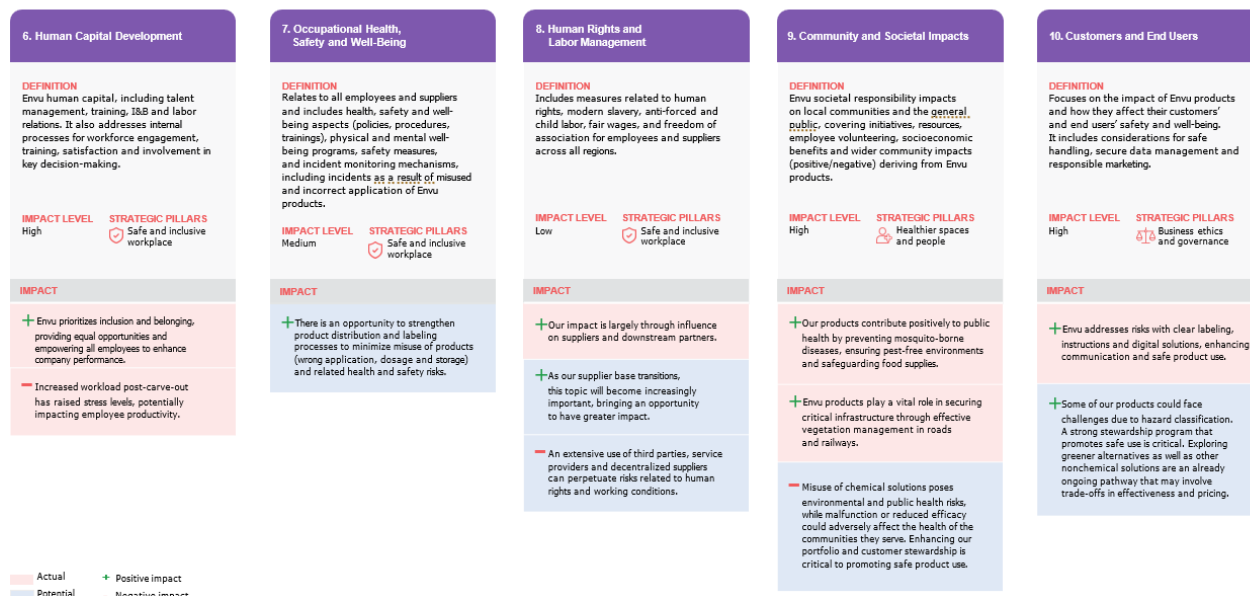


Following the Double Materiality Assessment, Envu has identified 14 ESG topics across the three dimensions of the Materiality Matrix presented below (low – medium – high):

Graphic 1. Visual representation of the positioning of the 14 material topics identified during 2023 Double Materiality Assessment.

ENVU MATERIAL ESG TOPICS				
<p>1. Climate Change Impacts: Own Operations</p> <p>DEFINITION Envu Scope 1-2 emissions, including energy usage, renewables, efficiency initiatives, emissions reduction and Envu climate change adaptation measures (e.g., net-zero considerations, policies, risk approaches).</p> <p>IMPACT LEVEL Low</p> <p>STRATEGIC PILLARS Decarbonizing the value chain</p> <p>IMPACT</p> <p>+ Although our footprint is small due to the “asset light” business model, shifting to renewable energy sources can significantly reduce Envu Scope 1 and 2 GHG emissions, fostering environmental sustainability.</p> <p>- The development of a GHG baseline shows the need to continue to improve emissions calculations, impeding the assessment and reduction of our environmental footprint.</p> <p>+ Shifting to remote and hybrid working models allows us to cut energy use and emissions through reduced reliance on office spaces.</p>	<p>2. Climate Change Impacts: Value Chain</p> <p>DEFINITION Envu Scope 3 emissions, spanning indirect activities from business travel to end-consumer product impact and addressing climate risks in the supply chain.</p> <p>IMPACT LEVEL High</p> <p>STRATEGIC PILLARS Decarbonizing the value chain</p> <p>IMPACT</p> <p>+ Adopting a full life cycle approach can mitigate Scope 3 emissions tied to product use.</p> <p>+ An effective supplier localization strategy can minimize transport emissions and reduce Scope 3 impact. Conversely, if not implemented efficiently, it may result in increased Scope 3 emissions due to a lower level of resource efficiency.</p> <p>- Fossil fuel reliance in production and noncircular packaging contributes to CO2 emissions.</p>	<p>3. Water Resources</p> <p>DEFINITION Water resource management in Envu global operations and value chain, including usage in water-stressed areas, upstream wastewater discharge, recycling and pollution prevention.</p> <p>IMPACT LEVEL Medium</p> <p>STRATEGIC PILLARS Business ethics and governance</p> <p>IMPACT</p> <p>+ The Phytobac system manages pesticide use, prevents surface water pollution and shows our commitment to responsible environmental practices.</p> <p>- Inadequate disposal of production wastewater could cause water and soil contamination. Transparent product labeling and thoughtful selection of production and logistic partners are key to mitigating potential negative impacts.</p> <p>- The use of water-intensive chemicals, especially in golf course care, exacerbates the strain on water resources, particularly in already water-scarce areas.</p>	<p>4. Waste and Resource Circularity</p> <p>DEFINITION Evaluated in both own operations and value-chain waste management, this includes resource use, waste generation (including hazardous chemical waste), disposal, recycling, and circularity efforts to reduce the production, consumption and post-consumption-related waste, including packaging impacts.</p> <p>IMPACT LEVEL Medium</p> <p>STRATEGIC PILLARS Business ethics and governance</p> <p>IMPACT</p> <p>- Waste management is outsourced to our value-chain partners. If not managed properly, there could be a risk that some of these companies may have inadequate practices exacerbating ESG impacts, especially if exported to regions with lax standards. Corporate product safety and stewardship standards, enforced in the supply base, are key to mitigating potential impacts.</p> <p>+ Adhering to environmentally friendly packaging solutions and circular principles in product development can help ensure proper disposal and minimize environmental harm.</p>	<p>5. Biodiversity and Ecosystems</p> <p>DEFINITION Envu product impact on biodiversity, also its land use across the value chain, and includes the impacts that suppliers, customers and end users have on biodiversity. It also includes ongoing conservation and restoration efforts.</p> <p>IMPACT LEVEL High</p> <p>STRATEGIC PILLARS Nature-positive innovation</p> <p>IMPACT</p> <p>+ Envu prioritizes biodiversity protection and restoration with products that help control invasive species and restore ranges and pastures.</p> <p>- Even without manufacturing sites, our operations and office locations in over 21 countries incur a risk that one or several of these locations could affect endangered species habitats and conservation.</p> <p>+ Envu acknowledges high environmental risks deriving from the use of chemicals and is committed to considering ecotoxicity and biodiversity during product development and regulatory risk assessment.</p>
<p>Actual + Positive impact Potential - Negative impact</p>				

ENVU MATERIAL ESG TOPICS



Graphic 2. Visual representation of Envu's 8 ESG primary priorities.

Through this double materiality process, Envu was able to identify its top material issues across financial and impact materiality. These identified topics have been subsequently consolidated into eight categories, which represent the primary priorities that Envu aims to address through its ESG strategy:

These eight primary ESG priorities for Envu align with the three pillars of Environmental, Social, and Governance, as categorized below:

Environment:

- Biodiversity and Ecosystems
- Climate Change

Social:

- Human Capital
- Societal Impact
- Customers and End-users






Governance:

- Business Ethics and Governance
- Product Stewardship



– Sustainable Procurement

Internally and externally material topics are fuelling our strategic pillars below:

Envu Strategic Pillars:		Material ESG Topics (From Double Materiality Study):
 NATURE-POSITIVE INNOVATION	Impact on nature We are enhancing biodiversity and helping our ecosystem flourish by controlling invasive species and pests, restoring native forests and rangelands, and using advanced solutions and digital technologies to optimize product usage.	5. Biodiversity and Ecosystem
 HEALTHIER SPACES AND PEOPLE	Impact on society We are preventing the spread of disease, protecting essential infrastructure, safeguarding our food supply and maintaining healthy green spaces.	9. Community and Societal Impacts 11. Portfolio Stewardship
 DECARBONIZING THE VALUE CHAIN	Impact on the way we operate We are committed to net-zero emissions across our value chain, offering products that lower our carbon footprint, and working with partners who meet our environmental and social standards.	1. Climate Change Impacts: Own Operations 2. Climate Change Impacts: Value Chain
 SAFE AND INCLUSIVE WORKPLACE	Impact on our team We are creating a work environment where every employee from all over the world feels safe and empowered to positively change the world through their work.	6. Human Capital Development 8. Human Rights and Labor Management
 BUSINESS ETHICS AND GOVERNANCE	Acting with integrity to reduce risk We exercise good judgment and act with integrity each and every day to create a foundation of trust with our customers, employees, business partners and shareholders to prevent and mitigate risks as they arise.	3. Water Resources 4. Waste and Resource Circularity 12. Sustainable Procurement Practices 13. Responsible Business and Governance Practices

2.1.2. Key stakeholders and stakeholders’ engagement process

As part of this exercise, Envu interviewed 26 key internal stakeholders, including the Chief Executive Officer, to collect their perspective on the ESG topics most important to the business. The assessment engaged a range of internal stakeholders across different functions, including Finance, Innovation and Portfolio Stewardship, Marketing, Procurement and Supply Chain, People, Change and Communication.

Envu also interviewed 21 representatives from various external stakeholder groups including customer associations, investors (Cinven), NGOs, regulatory bodies, suppliers, and trade partners. This step informed the assessment with market expectations regarding ESG performance and compliance from a broad set of stakeholders and obtain insights on what the key ESG topics and related impacts, risks, and opportunities that they consider relevant as part of their decision-making and engagement considerations with Envu. The stakeholder engagement process will be renewed every 18 months.



3. Management of material ESG topics

3.1. Nature Positive Innovation

3.1.1. Biodiversity and Ecosystems

The nature of Envu products requires sustainability and biodiversity to be built in throughout the business. Across the organization, we employ a varied range of life science professionals, including forest managers, arborists, rangeland experts, entomologists, turf management professionals and data scientists, all of whom are striving to make Envu's customers' lives better while improving the natural resources and environments where Envu operate.

Material topic	Materiality impact	Financial impact
5.Biodiversity & Ecosystem	High	High

Related material topics from double materiality

Initiatives

- Monitoring restored rangelands and native forests to capture biodiversity outcomes and achieve a 15% improvement in native biodiversity richness at 5 years post-treatment
- Biodiversity impact assessment of all Envu owned and leased sites
- Assessment of Envu's sites biodiversity impact, especially with regard to endangered species.
- Expand Envu's offer toward invasive species control by 2026

Commitments

- Conduct 100% of product registrations in strict adherence with local regulatory standards, including human, environmental and ecosystem risk assessments
- Evaluate and address the potential health and environmental risks associated with Envu's products throughout their entire life cycles – from research and development and production, marketing, use and disposal. We openly communicate the safe and proper way to use our products and the risks associated with their use by providing appropriate instructions and warnings.
- Metrics and specific KPIS below



Metric Type	Specific Metric	Unit	Reporting Frequency	2023 result	2024 target	Short term target	Mid-term target
						2026	2028-2030
ENVIRONMENT							
Biodiversity and ecosystem – Nature positive innovation							
Own-Operations							
Biodiversity	Biodiversity impact assessment (endangered species impact) performed on Envu’s owned/leased sites	#	Annually	75%		100% sites assessed	100% sites assessed
Training	Employees trained on Biodiversity and Ecosystem	%	Annually	0%	60%	100%	100%
Portfolio stewardship	#LCA undertaken	#	Annually	2	4	10	15
Value-Chain							
Biodiversity	Offers contributing to invasive species control	#	Annually	93 products			
Biodiversity	Ha of land restored	#	Annually	66,000		160,000	

Relevant external standards

- United Nations Sustainable Development Goals (UNSDGs)
- Envu biodiversity commitment draws inspiration and guidance from the principles outlined by the Taskforce on Nature related Financial Disclosures (TNFD)
- Global Reporting Initiative (GRI)

Relevant documents

- [Sustainability report \(envu.com\)](https://envu.com/sustainability-report)

Responsibility

- The Chief Sustainability Officer is responsible for biodiversity efforts.



3.2. Decarbonizing the Value Chain

3.2.1. Climate Change

Envu recognizes that addressing climate change is not solely an environmental responsibility, but also a business imperative influencing the long-term value and success of its operations. Envu believes that in propelling its business forward, there needs to be consideration of how climate change could impact long-term stability and overall global wellbeing. It is critical for Envu to incorporate climate change considerations into its business efforts, to effectively manage risks and demonstrate its value to customers and investors, setting it apart from competitors.

Material topic	Materiality impact	Financial impact
1. Climate Change Impacts: Own Operations	Low	Low
2. Climate-Change Impacts: Value Chain	High	High
4. Waste and Resource Circularity	Medium	Medium

Related material topics from double materiality

Initiatives

- Researching the climate impacts of our Rangeview initiative and pursuing a product solution to develop verified carbon removal and avoidance outcomes for landowners and managers
- Understanding and reducing our own emissions

Commitments

- Envu is committed to a near term net-zero target aligned to the Science-Based Target initiative (SBTi) (*Business Ambition for WB2°C campaign member*)
- Envu is committed to disclose its CO2 emissions Scope 1, 2 and 3 annually
- Envu is committed to align its CO2 emissions disclosing to CDP standard as of 2025 report
- Envu is planning to conduct a climate-related risk and opportunity assessment aligned to the Task Force on Climate-related Financial Disclosure (TCFD) recommendations by the end of 2025
- Envu is planning to conduct a life cycle assessment (LCA) on selected solutions
- Hazardous Waste disposal and management mitigating the potential impact toward the environment.



- Specific metrics and KPIS listed below

Metric Type	Specific Metric	Unit	Reporting Frequency	2023 result	2024 target	Short term target	Mid-term target
						2026	2028-2030
Climate Action – Decarbonizing the value chain							
Own-Operations							
GHG Emission	Teq CO2 Scope 1	Teq CO2	Annually	1,793.67			2030 SbTi aligned targets Scope 1 and 2: Envu commits to reduce absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2023 base year.
GHG Emission	Teq CO2 Scope 2	Teq CO2	Annually	824.09			
Energy	Total Energy Consumption	kWh	Quarterly	2,754,023.04			
Trainings	Employees trained on GHG and Climate action	%	Annually	0%	60%	100%	100%
Value-Chain							
GHG Emission	Teq CO2 Scope 3	Teq CO2	Annually	207,383			2030 SbTi aligned target Envu commits to reduce absolute Scope 3 Category 1 GHG emissions, excluding from purchased active ingredients, coformulants and finished products, 25% by 2030 from a 2023 base year. Envu also commits 49% of its suppliers by emissions covering purchased active ingredients, coformulants and finished products will have SBTs by 2030.

Relevant External Standards

- Taskforce on Climate-related Financial Disclosures (TCFD)
- Science-Based Target initiative (SBTi)
- United Nations Sustainable Development Goals (UNSDGs)
- Carbon Disclosure Project (CDP) framework

Relevant documents



- Science-Based Target initiative (SBTi) commitment letter
- [QHSE-HSE-2-0005 - Procedure Waste Management - Rev. 01.A.pdf](#)
- [Envu Global Policy - Environment # 3.06](#)

Responsibility

- The Chief Sustainability Officer is responsible for climate change efforts.

3.3. Safe and Inclusive Workplace

3.3.1. Human Capital

Envu is a company where its workforce can make a positive impact on the world through their work. Envu upholds the principle of doing what is right for all. The core of Envu's culture is rooted in inclusion and belonging, guiding its thought processes, actions, and self-definition. The [Compliance Management Policy # 1.09](#) serves as the foundation for Human Capital efforts and guides the ESG program to focus on three key elements: fair treatment, respectful relations, and free and open sharing of concerns.

Related material topics from double materiality

Material topic	Materiality impact	Financial impact
6. Human Capital development	High	High
8. Human rights and labour management	Low	Low

Initiatives – Own activities

- Cultivating a culture of inclusion and belonging
- Providing equal opportunities for all employees for development and career advancement.
- Promoting I&B awareness through voluntary training for all employees.
- DRIVE is an employee resource group that is open for all employees to participate (voluntary program enabling freedom of association supporting inclusive culture, granting opportunity to build action plans. i.e.: Female leadership, Neurodiversity and disability, LGBT+, Working parents, etc.). The opportunity is open for all employees to create new groups in the future aligned with company culture and employee interests.
- Freedom of association principles
- Regular performance and development reviews, Better-up coaching sessions, Mentoring program, Training programs and resources for all
- Developing risk assessments conducted for employees who may be exposed to chemicals at work



Commitments – Own operations

- Achieve the “Great Place to work” certification by 2024 in at least 1 country
- All employees to have access to Linked’In Learning training program and receive annually Individual Performance assessment, including career development component.

		Unit	Reporting Frequency	2023 result	2024 result	2025 ambition	Mid-term ambition (2028-30)
Safe and inclusive workplace							
Own-Operations							
Inclusion & belonging	# of DRIVE groups having developed an impact roadmap	#	Annually	0	5	From 2025 onward we move to target below	
	# of DRIVE group roadmap implemented	#	Annually			80%	
	Inclusion score	%	Annually	90%	92.5%	90%	90%
Career management	# of hours of training	#	Annually	6,048h [6.7/employee]			
Health & Safety	# of Work-related Injuries	#	Quarterly	6		4	4
	Recordable incident rate - # incident per 100 employees	#	Quarterly	0.67			
	# of incident at work without sick leave days	#	Quarterly	6			
	# of incident at work with sick leave	#	Quarterly	3			
	LTI frequency rate (lost time incident per 100 employees) - # of worked hours estimated 2000 hours per person.	#	Quarterly	0.33		0.18	0.18
	# of sick leave days (lost time incident) due to work related injuries	#	Quarterly	33		18	18
	Injury severity rate - # of days lost per 100 employees	#	Quarterly	3.67			
	# of Work-related fatalities	#	Quarterly	0	0	0	0
Value-Chain							
Procurement	Suppliers having signed the Supplier Code of Conduct # 1.08	%	Annually	Not measured	94% of key suppliers	>80%	>90%



% of key suppliers compliant with sustainable procurement program	%	Annually	Not measured	88%	>90%	>90%
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Relevant external standards

- United Nations Global Compact (UNGC)
- International Labour Organization principles (ILO)

Relevant documents

Envu currently has four core company-wide policy documents that guide our I&B efforts throughout the organization:

- Human rights
- [Envu Global Policy - Fairness & Respect at Work # 4.03](#)
- [Envu Global Policy - Talent Attraction # 4.02](#)
- [Envu Global Policy - Total Rewards # 4.01](#)

Responsibility

- The management responsibility of the Human Capital program sits with the following individuals: Head of People, Change and Communication and Head of Recruiting and Talent Management.

3.4. Healthier Spaces and People

As a global business, Envu is firmly committed to fostering a healthier, safer environment. By conducting business and developing products with an emphasis on societal considerations, such as Vector Control which fights against vector-borne disease such as malaria, dengue, and chagas, Envu prioritizes the impacts on the communities where it operates.

Related material topics from double materiality

Material topic	Materiality impact	Financial impact
9. Community and societal impact	High	High

Initiatives

- Partnering with Business Alliance Against Malaria as a private sector partner to help drive progress in the fight against malaria by raising awareness and funds for lifesaving resources



Commitments

- Support customers in the best use of Envu products by performing on-the-field trainings and webinars across the geographies Envu operates in.
- Community day: one day per year, for each employee around the globe, on a voluntary basis, to serve societal causes close to Envu ESG commitments.
- On top of the metrics below:

Metric Type	Specific Metric	Unit	Reporting Frequency	2023 result	2024 target	Short term target	Mid-term target
						2026	2028-2030
Healthier spaces and people							
Value-Chain							
Community & Social impact	Households protected from Malaria	#	Annually	4 million		6 million	
	Households protected from Dengue	#	Annually	3 million		3.3 million	
	Pests covered by Envu range	#	Annually	198	Grow	Grow	Grow
	Kms of rails protected by Smart Weeding System	#	Annually	50000km	50000 Km	75,000km	
	Tons of grain protected	#	Annually	62 million		75 million	
	Acres of green space covered	#	Annually	138,000 hectares		143,000 hectares	

Relevant external standards

- Envu follows the Principles of the United Nations Global Compact as well as the International Labour Organization (ILO) Forced Labour Standards.
- United Nations Sustainable Development Goals (SDGs)

Relevant documents

- [Sustainability report \(envu.com\)](https://envu.com/sustainability-report)

Responsibility

- The Chief Sustainability Officer is responsible for societal impact efforts.



3.5. Business Ethics and Governance

3.5.1. Business Ethics and Governance

Envu targets to manifest robust business ethics principles and attain the best-in-class standards. Envu strives towards this objective by fortifying systematic measurements and introducing internal control mechanisms when needed. "Business Ethics and Governance" are crucial as they form the backbone of an organization. They ensure accountability, transparency, and integrity within a firm, encouraging ethical decision-making. They protect the rights of all stakeholders, boost investor confidence, manage risk effectively and enhance the firm's reputation, key to its long-term sustainability and success. On the specific Governance structure established for Envu, please also refer to section 5. ESG Governance.

Related material topics from double materiality

Material topic	Materiality impact	Financial impact
8.Human right and Labour Management	Low	Low
13.Responsible business and governance practices	High	High

Initiatives – Own-operations

- Sustainability Committee as the key governing body for all decisions related to the development, implementation, and execution of the company-wide strategic sustainability framework and ESG roadmap.
- Managing Board oversight of a structured and auditable ESG reporting system
- Completing ESG rating agencies assessments annually where applicable such as Ecovadis
- Training initiative on Compliance, cyber security, data breach and operational health & safety
- Whistleblowing program and remediation procedure in place for victims of discrimination and/or harassment.

Commitments – Own-Operations

- Communicate externally on the double materiality study output
- 0 Incidents
- Upper percentile of external credit rating
- Top of industry standard business ethics and governance principle

Process of Internal Reporting



- Envu has a dedicated compliance hotline where employees and business partners can confidentially report any incidents via the intranet and internet.

Every compliance incident brought to the attention of the compliance organization is assessed and, if required, investigated in a timely manner. Envu's compliance organization conducts investigations objectively. It protects the confidentiality, dignity, and fair treatment of those involved and those who are witnesses to the matter, while assuring the integrity of the investigation. Employees are required to cooperate fully in any investigation. Employees involved in compliance violations may be subject to specific sanctions. In addition, other measures such as process improvements may be implemented to mitigate identified risks.

Additionally, Compliance Program Audits proactively and systematically evaluate the implementation and effectiveness of the compliance program, identify risks, and recommend measures for adopting best practices.

Relevant External Standards

- Envu follows the Principles of the United Nations Global Compact as well as the International Labour Organization (ILO) Forced Labour Standards, the Foreign Corrupt Practices Act, the UK Bribery Act, and all anti-bribery and anti-trust laws of other countries.

Relevant documents

- Envu has developed a global portfolio of 41 critical policies and a compliance handbook to guide employee decision making and corporate best practices available here: [Management Regulation Tool - MRT Library - All Documents](#)
- [Envu Global Procedure - Management of Compliance Incidents # 1.09.01](#)

Responsibility

- The Head of Quality, Health, Safety and Environment; as well as the Governance, Risk & Compliance Lead are permanent members of the Sustainability Committee. They are involved in monitoring and developing Envu's ESG strategy and action plan. Functions that encompass Business Ethics and Governance such as ethics and cybersecurity are monitored by corresponding business function leads
- The Governance, Risk & Compliance Lead leads the company Risk Committee, the Chief Sustainability Officer is a permanent member of the Risk Committee ensuring that ESG specific risks are addressed and monitored.



3.5.2. Product Stewardship

The product line at Envu is continuously being innovated and expanded to further meet the needs of customers and end-users. All products are created with the health and safety of the user and the user's environment at top of mind to ensure that products are safe to use.

Initiatives

- Set-up portfolio stewardship standard across the company.

Commitments

- 100% compliant labels and marketing claims
- [Product Stewardship Brochure](#) setting-up standards across the company in 2024
- Deployment of Portfolio Sustainability assessment, aligned with World Business Council for Sustainable Development framework, for all products in portfolio by 2025

Relevant External Standards

- None

Relevant documents

Envu currently has two key corporate policies that help guide Envu product stewardship:

- [Envu Global Policy - Product Safety # 3.02](#)
- [Envu Product Stewardship Brochure](#)

Responsibility

- Portfolio Stewardship is cross-functional by nature and therefore a shared responsibility led by executive team members.

3.5.3. Sustainable Procurement

As a global business, Envu procures goods from all over the world and recognizes the ability to affect change as a large corporation. Envu will aim to integrate sustainability into procurement strategies to develop an environmental and society-focused approach.

Envu expects its suppliers and subcontractors to share Envu's commitment to operating in a responsible and ethical manner, consistent with the principles set forth in this Policy and in Envu's [Supplier Code of Conduct # 1.08](#). Envu also expects suppliers and subcontractors to maintain these standards further down the supply chain. The company considers compliance with these standards an important factor when choosing new suppliers or continuing relationships with existing ones.



Related material topics from double materiality

Material topic	Materiality impact	Financial impact
12. Sustainable Procurement Practices	High	High
8. Human rights and labour management	Low	Low

Initiatives – Value-Chain

- Envu actively commits to ensuring that its [Supplier Code of Conduct # 1.08](#) is adhered to by its suppliers
- Core principles of Envu ESG policies are enforced in Envu [Supplier Code of Conduct # 1.08](#): Business ethics (fair competition, anti-corruption, anti-bribery, International Trade controls compliance, Business integrity, Conflict of interest, data privacy and data protection, Book records and anti-fraud), Labour management (forced labour, human trafficking and child labour, working time wages and benefits, freedom of association, I&B, Fair treatment, Health and safety), Environment (Environmental responsibility, Environmental authorizations, Waste and emissions, Spills and releases, Natural resource conservation, Climate protection and Biodiversity preservation)
- When sourcing for new buildings / office location, energy positive buildings or building enabled by renewable energy source and waste management are part of the search criteria.

Commitments

- Supplier adhering to [Supplier Code of Conduct # 1.08](#) by end of 2024
- Explicit reference to [Supplier Code of Conduct # 1.08](#) is included in all supplier contract templates by end of 2024
- Tollers and manufacturers to have ESG clauses in their contracts by end of 2024
- Formalizing an ESG screening criteria plan for suppliers within Q1 of FY24
- Key controls in place during supplier on-boarding process
- ECOVADIS IQ + supplier vetting program, when and where appropriate, based on risk approach.
- On-site audit where and when appropriate, based on risk approach

Relevant External Standards

- Guiding Principles on Business and Human Rights (UNGPs)
- UN Global Compact (UNGC)
- OECD Guidelines for Multinational Enterprises



Relevant documents

- [Envu Global Policy - Supplier Code of Conduct # 1.08](https://www.envu.com/footer/procurement/code-of-conduct) also publicly available here <https://www.envu.com/footer/procurement/code-of-conduct>
- [Envu Global Policy - Modern Slavery Mitigation in Supply Chain # 1.14](#)
- [Procurement Management Policy # 2.05](#)
- [Supplier screening and on-boarding process # 2.05.01](#)

Responsibility

- Sustainable procurement commitment and associated policies are under the responsibility of the Head of Procurement.

Initiatives – Value chain

- Promoting the following principles throughout Envu value chain: Human Rights and 0 tolerance against modern slavery, child and force labour, Fairness of treatment, I&B, Freedom of association. Example of relevant documents: [Supplier Code of Conduct # 1.08](#) and Compliance Handbook.

4. Performance monitoring and reporting

4.1. ESG KPIs and frequency of reporting

Envu is committed to monitoring and measuring its ESG metrics and KPIs stated in Section 3 of the present ESG Policy. Frequency of reporting may depend on each specific KPI (i.e., annually, quarterly, etc.). Envu has a goal to set baselines starting with 2023 and to routinely check to make sure the metrics are aligned with industry best practices and regional requirements, where/if needed. Envu, publish annually a sustainability report, aligned with GRI framework.

4.1.1. ESG KPI verification by a third party

At the time of drafting of these present ESG Policy, no verification or assurance activities of Envu's ESG KPIs have been carried out or scheduled.

5. ESG Governance

5.1. Roles, responsibilities, and accountabilities

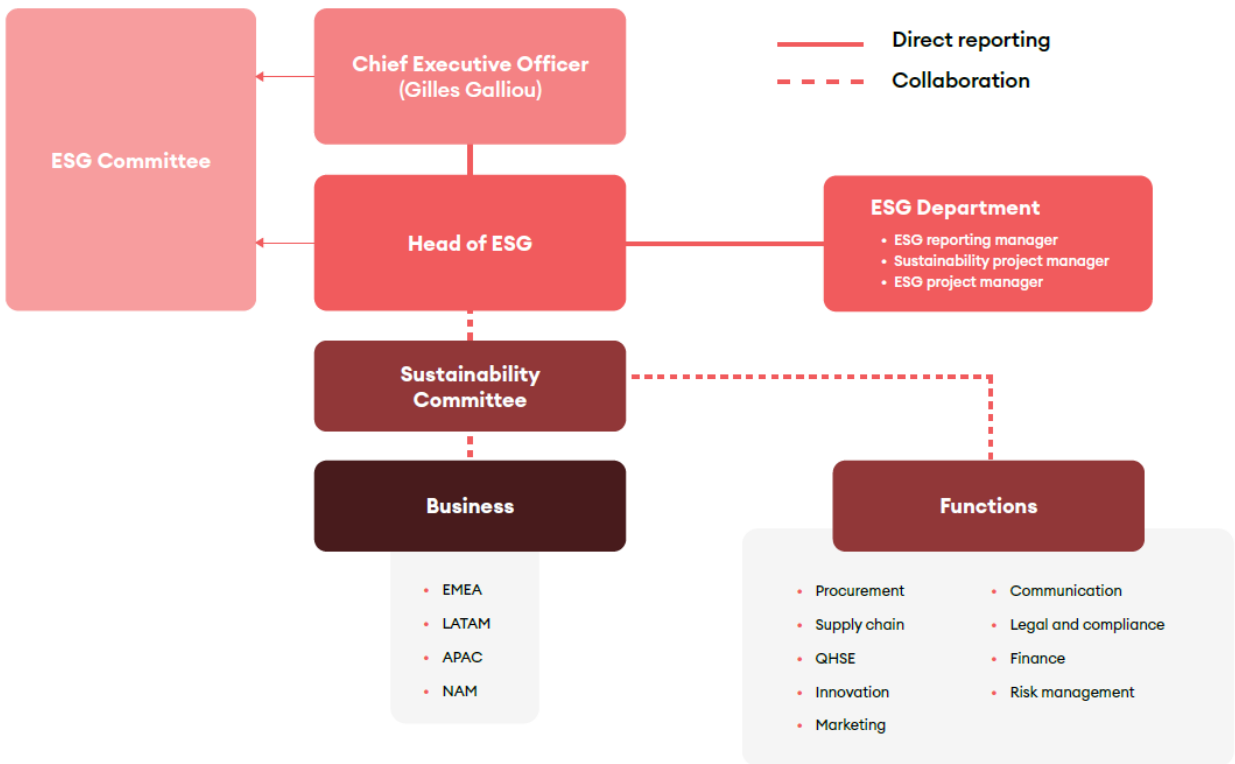
At the board level, the Chief Executive Officer has a responsibility for oversight of ESG at Envu, including implementation of the company ESG Policy and periodic review of ESG performance. Envu has established a Sustainability Committee, which is chaired by the Chief Sustainability Officer and overseen by the Chief Executive Officer. Besides those two, it is made up of members (who most of the time directly report to one Leadership Team member) from business segments and key regions as well as functions including Procurement; Supply Chain; QHSE; Innovation; Marketing; People, Change and Communication; Legal; and



Finance. The scope of the Sustainability Committee is to oversee implementation of the ESG strategy and ESG Policy. It is the main governing body responsible to take all decisions related to the development, implementation and execution of the strategic sustainability framework. Further, the Sustainability Committee is responsible for identifying ESG risk areas and opportunities, developing ESG priorities and action plans, and overseeing the implementation of such initiatives. The Sustainability Committee meets four to eight times per year and/or upon need. This work is reviewed by the Chief Sustainability Officer, then reported to and approved by the board. Our ESG Policy is reviewed annually and approved by the Chief Executive Officer, the Chief Sustainability Officer and the Sustainability Committee. Embodying environmental, social and governance is critical to our success, which is why we developed the double materiality matrix. We leveraged insights from internal and external stakeholders to determine the most material topics and aligned them with our ESG roadmap. This resulted in a clear plan, which our cross-functional ESG Committee is carrying out and reporting on to the Leadership team and board.

This Policy is reviewed annually and is approved by the Chief Sustainability Officer and the Sustainability Committee.

5.2. Organogram



Graphic 3. Visual representation of Envu’s ESG Governance, including key roles and functions.