



Supplier Guidelines

At Novozymes, we consider our suppliers important business partners in fulfilling our purpose: “Together, we find biological answers for better lives in a growing world – Let’s rethink tomorrow.”

Novozymes’ supplier guidelines

The guidelines inform new and existing suppliers of our requirements on Responsible Purchasing with regard to their overall conduct and performance.

At Novozymes, we value strong supplier relationships and consider our suppliers among our most important business partners. Our suppliers are not only crucial to our commercial performance and the quality of our products; they are also instrumental in helping us fulfill our purpose.

How we evaluate suppliers

Novozymes evaluates supplier performance as part of the initial selection process and also as part of the continuous evaluation process. In these evaluations, sustainability is an important assessment criterion alongside commercial and quality parameters.

Novozymes require for all our suppliers to comply with the responsible purchasing standards in this guideline, as well as, when requested, to complete questionnaires and to accept visits and audits relevant for confirmation of compliance with these standards.

Novozymes’ requirements

All suppliers, including general contractors and subcontractors, must follow applicable laws, rules and regulations in the country where they operate. We encourage all our suppliers to go beyond legal compliance and follow better practices and internationally recognized sustainability standards. Our supplier requirements on Responsible Purchasing are specified below.

1. Responsibility and innovation

A supplier must

- Balance reliability, quality and efficiency with a drive for sustainability and innovation
- Work proactively with Novozymes in efforts to innovate and implement responsible supply chain solutions

2. Commercial aspects

A supplier must

- Offer competitive prices taking Total Cost of Ownership into consideration
- Focus on efficient delivery and continuous improvement
- Optimize and innovate sustainable supply chains

3. Quality

A supplier must

- Have clear and updated descriptions of products and/or services
- Have systems to ensure delivery according to agreements, risk reduction in the production and supply chain, as well as corrective and preventive actions on non-conformities
- Document compliance with applicable laws, regulations, authorizations and standards

4. Environment

A supplier must

- Assess environmental issues related to its processes, products and activities
- Monitor and continuously strive to improve environmental performance
- Be able to respond quickly and effectively to environmental problems
- Work systematically to ensure that its direct and indirect operations result in zero net deforestation

5. Employee health and safety

A supplier must

- Provide a safe and healthy working environment in compliance with national health and safety regulation, and *International Labour Organization's* fundamental principles of occupational health and safety
- Investigate and implement corrective actions and maintain an overview of occupational accidents and diseases
- Prevent and be knowledgeable about typical health and safety risks for their industry
- Prevent and be knowledgeable about typical health and safety risks for its industry
- Work systematically to continuously improve the working environment

6. Human and labor rights

A supplier must

- Respect the workers' right to form and join associations, and to bargain collectively
- Prevent discrimination in all employment related processes
- Respect the workers' right to leisure, compensate overtime and avoid excessive overtime
- Guarantee a wage which as a minimum meets national standards
- Prevent harassment or abuse by coworkers or managers
- Ban any type of forced or bonded labor and should not be involved in any human trafficking
- Ban employees under the age of 15 and under the age of 18 working under hazardous conditions or at night

7. Business ethics

A supplier must

- Not give or accept bribes
- Not give or accept facilitation payments
- Not assist in laundering money
- Not pay criminals for protection
- Not give or receive large gifts
- Not engage in anticompetitive business practices, including but not limited to price discrimination, exclusive supply obligations and exchange of information with competitors

8. Supply chain

A supplier must

- Communicate commercial, quality and sustainability standards to key suppliers
- Monitor the overall performance of its key suppliers
- Have procedures for following up on low performing suppliers
- Protect land rights of local communities, including indigenous people by having zero tolerance to land grabbing

About Novozymes

Novozymes is the world leader in biological solutions. Together with customers, partners and the global community, we improve industrial performance while preserving the planet's resources and helping to build better lives. As the world's largest provider of enzyme and microbial technologies, our bioinnovation enables higher agricultural yields, low-temperature washing, energy-efficient production, renewable fuel and many other benefits that we rely on today and in the future. We call it Rethink Tomorrow.

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