



Policy Socially responsible procurement



Royal
Swinkels
family
brewers



Why

As a family business, we are at the heart of society and wish to pass on an even better business to the next generation. We realise we can't do this alone. This is why we, on a daily basis, collaborate with business partners and suppliers who share the same standards, values and social ambitions. Socially responsible procurement is an important prerequisite for finding answers to the challenges of today and tomorrow.



How

In line with the OECD Guidelines for Multinational Enterprises, we are investigating where the most important risks take place. In order to reduce the social impact, we expect our suppliers to apply circularity principles when supplying raw materials, products and services. By doing so, we wish to encourage our suppliers to think proactively about how we can jointly reduce energy and material consumption in the chain, make it more sustainable and (re)use it in a high quality way. This should result in a 50% circular enterprise in 2020 and to then expand it to 100%.

In addition, we expect our suppliers to respect labour and human rights. Here, we use the International Labour Organisation ('ILO') standards and the United Nations Guiding Principles for Business and Human Rights ('UNGPs') as a guideline.

What

To ensure this, we make use of management systems and integrate socially responsible procurement in the procurement risk management process by:

a. A Supplier Code of Conduct

We ask our suppliers to comply with our Supplier Handbook and Supplier Code of Conduct. These include our expectations regarding corporate social responsibility.

b. A Supplier Classification and socially responsible procurement criteria in the supplier agreement

In addition to signing the Supplier Code of Conduct, we carry out a risk classification assessment of our suppliers. We classify them as high, medium or low on the basis of, among others:

- Our circularity ambition and the raw materials and products used by the supplier.
- Production country and possible issues regarding human rights.
- Continuity and reputation of the company.

On the basis of this classification, we determine whether there are additional socially responsible procurement criteria to be included in the supplier agreement and/or whether additional action is required.

c. Self assessments and audits

We ask high risk/impact suppliers to carry out self assessments. Based on these results, we conduct additional activities. These may include audits and action plans for the relevant suppliers to prevent negative impact and increase the positive social value.

When high-risk suppliers do not act in line with our policy and do not show progress, we will ultimately not collaborate with them.