

SUPPLY CHAIN OVERVIEW

We procure and distribute more than 1 million unit of products annually across our territories. Our supply chain therefore plays a central role in our business and is responsible for the company's procurement, planning, engineering, and sustainability. In all our processes we minimise our environmental impact and consider sustainability in our value chain - from sourcing materials and/or engineering the product to distributing it to our customers.

Our success lies with our people's expertise, our absolute focus on quality and our continuous investment in advanced technologies.

We have zero tolerance for failure to meet standards and deployed a maturity continuum measurement, with stringent processes in place to minimise the occurrence of quality issues. However, when they do arise, we have robust processes and systems in place so we can deal with them quickly and efficiently, ensuring that our customers and consumers retain confidence in the products.

Health & Safety

The health and safety of our people and partners always comes first. It is managed as a principal risk, emphasising the critical importance of ensuring the wellbeing of everyone in our workplaces.

We conduct annual health and safety weeks in all our countries to build knowledge and capabilities and strengthen the awareness about health and safety among our employees. As an example, in 2019 our internal health and safety campaigns provided helpful information addressing stress at work, machine safeguarding, ergonomics and warehouse traffic safety.

Transforming, innovating, and digitalising our supply chain

To ensure our business is fit for the future, we are investing in advanced technologies and transforming and digitalising many of our supply chain processes.

Operating in 4 diverse markets, our aim is to build a borderless supply chain that operates effectively, efficiently and enables us to imbed innovative technologies, fast. We are applying innovation within our supply chain to expand our technical capabilities while ensuring productivity and cost, energy, and water savings.

Sustainable sourcing

The sourcing of our materials accounts for a large portion of our economic, operational, and environmental footprint, and the behaviour of our suppliers directly impacts our sustainability performance. We therefore consider our suppliers as critical partners, as well as contributors to the ongoing and sustainable success of our business.

As part of the Jogobu System, we have a uniform approach to sustainable sourcing, which is rooted in the principles of protecting the environment, upholding human, and workplace rights, and helping to build more sustainable communities.

The scale and uniform approach System help us source our materials sustainably, while mitigating business risks. This helps us balance the costs of sustainability by leveraging relationships and initiating new opportunities, ensuring that our suppliers and their suppliers have a sustainable business. All suppliers are required to meet our Supplier Guiding Principles. These principles communicate our values and expectations of compliance with all applicable laws and emphasise the importance of responsible workplace practices that respect human rights.

OUR SUPPLIERS

We consider our suppliers as critical partners, contributing to the ongoing and sustainable success of our business.

As a critical part of our value chain, the performance of our suppliers directly impacts the sustainability performance and commitments of Jogobu Group.

Under a unified procurement framework, we segment our supply base universe of around 100 suppliers into direct and indirect spend suppliers (actively used for purchasing transactions in 2020).

- Direct spend suppliers include equipment, spare parts, and packaging suppliers.
- Indirect spend suppliers include categories such as IT, maintenance services, logistics providers, fleet vehicles, utilities, real estate, facilities management, professional and other consultancy services, personnel, and temporary labour.

Jogobu also segments suppliers into three categories based on criticality and potential opportunities:

1. Group Critical Suppliers - are those that fulfil any of the following criteria: high percentage of spend, critical components (e.g. Equipment, Spare Parts, Packaging), limited alternatives and partnership supporting our business strategies.
2. Country Strategic Suppliers - are those which have strategic importance at a local or regional level.

Both Group Critical & Country Strategic suppliers are considered critical to the overall competitiveness and success of Jogobu Group.

3. Tactical Suppliers represent low-volume and/or low-spend suppliers, supplying goods or services where there are many alternative sources available, enabling a flexible supply base.

We place significant focus on forming partnerships with suppliers that have supply points located within our countries, both multinational and local while also developing strong local suppliers across our territories. These efforts support our strategy for local content/ sourcing and contributing to socio-economic development in the countries where we conduct business. These suppliers significantly contribute to our business and include key markets such as Netherlands, Ghana, Australia, Germany, and Canada. Jogobu annual spend with suppliers in 2020 reached €0.9 million of Direct & Indirect spend. Our practice is to source locally, if goods and services are available to meet our requirements and quality standards in an economically viable way.

We target over 95% of our spending is local in our countries of operation or from within the European Union, which is considered local for EU countries. In 2020 we had 98% sourced locally representing €0.882 million spend.

Engaging with our suppliers

We collaborate with our suppliers to improve our overall performance and build a responsible and sustainable supply chain. We actively seek to partner with them in providing new technologies for materials, equipment, packaging, renewable energy. With our logistics providers to work on ways to minimize our environmental footprint.

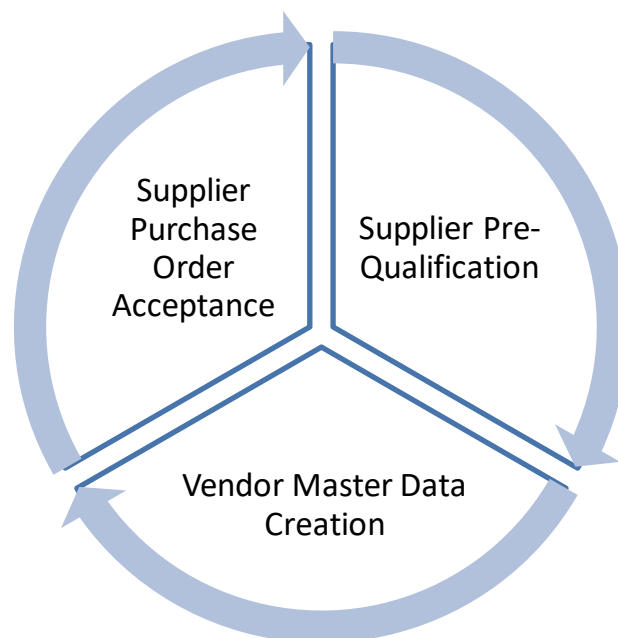
At Jogobu Group, we are committed to high standards of performance related to human rights, labour practices, minimizing environmental impact, ensuring health and safety, ethical business, and unsurpassed quality in our supply chain. Our supplier partners play a critical role in ensuring that we deliver against these standards.

Given the diversity of countries from which we source, we understand the practices of our suppliers reflect directly on the reputation of Jogobu Group overall and thus we stand committed to maintain high standards of performance across our supply chain.

To ensure proper governance and that our suppliers meet our standards, we have implemented policies including our Jogobu Supplier Guiding Principles (SGP). In addition, we have developed an environmental, social and governance supplier pre-assessment process for our strategic buy segment which includes multiple criteria for supplier selection across all main pillars of our guiding principles. We monitor compliance of our critical suppliers by utilizing Jogobu Supplier Guiding Principles, compliance audits and CSR Platform. We also recognize supplier certifications as per international standards including ISO 9001, 14001, and OHSAS 18001.

Our Suppliers acknowledge our Supplier Guiding Principles and are expected to comply as a minimum with applicable environment and local labour laws and core international conventions. These principles also communicate our values, and our expectations for responsible business practices.

We aspire 100% of our suppliers accepting our SGPs by utilizing our 'SGP Coverage Circle' with three checkpoints throughout the Procure-To-Pay process:



1. Suppliers are requested to sign off the SGP's during the Request for Quotation/Proposal. The Pre-qualification process. Suppliers that do not sign off are not considered to participate.
2. SGP's sign off is verified during the creation of the vendor master data in our JCLSoft System.
3. Purchase Orders includes reference to our terms & conditions and SGP's. By accepting our order, supplier also accepts Jogobu terms & conditions and SGP's.

Jogobu promotes 100% quality culture with zero tolerance for failure to meet standards. This approach extends to our suppliers as well. We monitor compliance of our critical suppliers through third party's compliance audits leveraging multiple credible sources such as SGP Audits, and CSR assessment platform. Suppliers are required to submit corrective actions to the 3rd party audit bodies when a non-conformance is identified during the audits as a remediation activity.

We also engage with our suppliers through our joint value creation initiatives, sustainability events, industry associations, workshops on sustainable supply, annual supply chain innovation workshops, survey and CSR platform for ethical and sustainable supply chains. We invest in joint value creation programs, ranging from developing paperless free workspace to increasing local supplies.

Our critical suppliers are invited to subscribe to a third-party CSR assessment platform, hosting a collaborative network to manage the sustainability performance of suppliers. The platform monitors CSR risks utilizing different criteria divided in themes based on international standards as UN Global Compact, ISO, ILO etc.