



Sustainable Procurement Policy

1. Introduction

ADAMA wishes to create strong partnerships with our suppliers that are built on a joint effort to amplify the positive impact we can have on society, safeguarding our natural resources and environment, protecting labor and human rights, and acting in an ethical manner. This sustainable procurement procedure outlines ADAMA's commitment to ensure that the way we conduct business with our suppliers is done according to high environmental, social and ethical standards.

2. Rationale

This sustainable procurement procedure is designed to enhance ADAMA's overall impact on the society, protecting labor & human rights and ethics and the environment through implementation of a Sustainable Sourcing process. These principles are outlined in ADAMA's Sustainable Procurement Policy and Supplier Code of Conduct.

3. Scope

This sustainable procurement procedure applies to ADAMA suppliers and service providers, i.e. raw materials suppliers, manufacturing services, transportation and industrial equipment.

4. Management Mission Statement

- ADAMA recognizes the necessity for and is committed to procure resources in a manner consistent with the principles of sustainable development
- ADAMA strives to incorporate fiscal responsibility, social equity, community needs and environmental stewardship in procurement decisions
- ADAMA commits to evaluate suppliers based on sustainability criteria
- ADAMA defines and measures frequently the following objectives:
 - Promotion of fair working conditions
 - Embedding ethical practices in suppliers' businesses
 - Protecting the environment and nearby communities
 - Managing emissions and waste disposal, as well as efficient use of natural resources

5. Tools to implement ADAMA's sustainable procurement policy

- ADAMA has created a code of conduct for suppliers which is an integral part of suppliers' contracts
- ADAMA's supplier evaluation tools include social, ethical and environmental and Health and Safety topics
- ADAMA is pursuing continuous improvement of our suppliers



6. Responsibility for implementation & updating

- Global HSE and procurement managers are responsible for the provision of this policy, following its implementations and update it periodically
- Regional or country level procurement managements are responsible to ensure suppliers evaluation process is in compliance with this policy
- Regional or country level procurement teams are responsible to:
 - Review and record sustainable aspects of suppliers
 - Escalate any significant nonconformance with the policy elements

7. Definitions/abbreviations

- HSE – Health Safety & Environment
- SP- Sustainable Procurement

8. Documentation & Control

This is a controlled document

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