



We create chemistry

Omega-3 Pharma Solutions

Sustainable Sourcing

Because nature's gifts
don't come for free



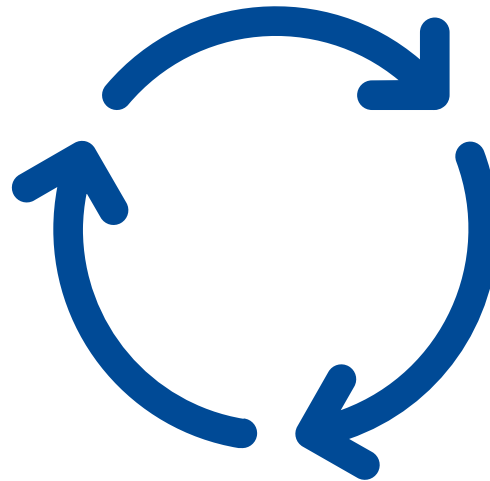
Our sourcing policy is based on three guiding principles

Our goal:

Driving sustainable Omega 3 sourcing within the industry beyond existing norms

1. We constantly ensure a profound understanding of the supply chain and sustainability requirements

We build an understanding of the market dynamics, how our suppliers act, and the industry's impact on the environment.



3. We foster dialogue and cooperation with partners along the value chain

We initiate constructive dialog with our suppliers, relevant certification bodies, and other stakeholders to raise awareness and drive the Omega-3 industry towards more sustainable practices.

2. We assess suppliers continuously

We assess how our suppliers comply with environmental and social standards. We have a purchasing decision structure and clearly defined core criteria.

We ensure a profound understanding of the supply chain and sustainability requirements



Although Omega-3 fish oil is derived from small pelagic species (e.g., anchoveta, sardinella) that are typically fast-growing with limited human consumption markets, we recognize that improper fishing has the capacity to damage fragile ecosystems and vulnerable species

We **advocate for action** from the Omega-3 industry to minimize the impact on our oceans

We reviewed our sourcing policy in 2022 (originally established in 2015) and have **strengthened our commitment to environmental & social responsibility**



Our suppliers are required to provide **traceability** of their fish oil to the vessel, fish species, and catch area, period, and method



We continuously **monitor stock assessments and regional fishing practices** via the FAO



We **require** the fisheries we source from to have a **3rd-party certification of sustainable practices***



We **strictly do NOT accept**: endangered fish species from the IUCN Red List; IUU fishing; bottom trawling; dynamiting/poisoning; use of forced/child labor practices

FAO: Food and Agriculture Organization of the United Nations

IUCN: International Union for Conservation of Nature

IUU: illegal, unreported, and unregulated

*Accepted certifications: Marine Stewardship Council (MSC), MarinTrust (formerly IFFO RS), and Friends of the Sea (FOS)

Critical sustainability topics addressed with 3rd-party certifications



Biodiversity

- Stock status quotas
- By-catch limits



Environment

- EHS standards
- Minimization of marine pollution & CO₂ footprint



Traceability

- Species & origin identification
- Management & traceability framework



Society

- Labor rights & benefits
- Employee safety
- No child labor



Accountability

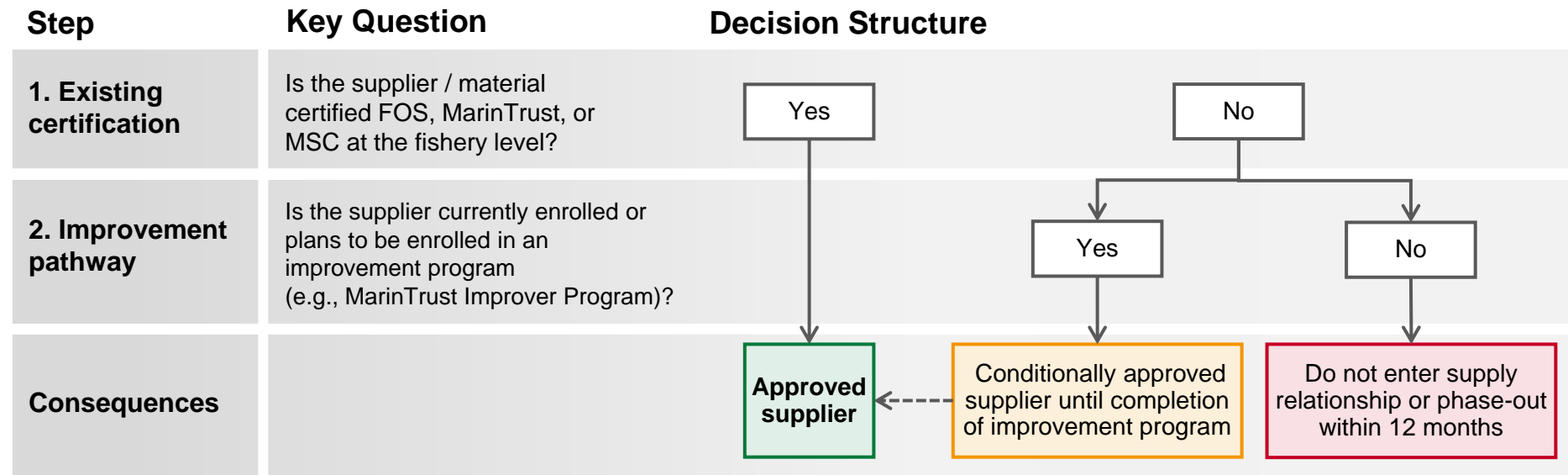
- Regular audits & record keeping
- Violation repercussions

We assess suppliers continuously

And have implemented a decision tree for supplier evaluation and selection

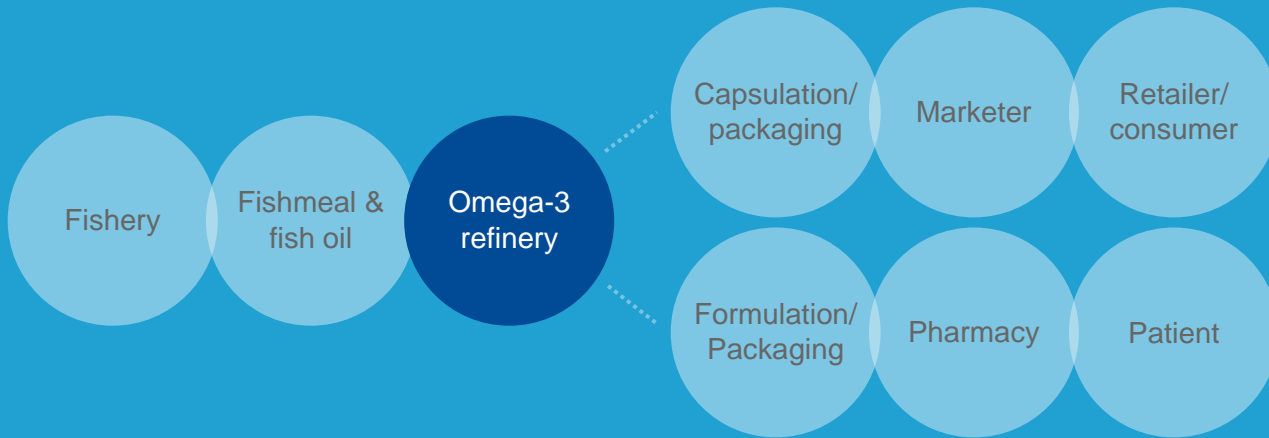


Purchasing Decision Structure



BASF Supplier Code of Conduct; required of all suppliers

We foster dialogue and cooperation with partners along the value chain



- ✓ **We are in continuous dialogue** with international standards & certification bodies



- ✓ **We are a board member** of GOED, the Global Organization for EPA and DHA Omega-3



- ✓ **We work with industry groups** such as the Pharmaceutical Supply Chain Initiative



- ✓ **We engage our suppliers** through the “Together for Sustainability” Initiative and BASF's Supplier CO₂ Management Program



- ✓ **We provide environmental data transparency** via credible Platforms such as CDP and EcoVadis



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