

PUBLIC

Global Policy

Charter Sustainable Sourcing

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1. Purpose of the document

At Foundever, we value and promote a culture of integrity, transparency, and ethical behavior in all our business operations and towards our partners. In this context, this Charter defines the principles that Foundever adheres to.

2. Ensure fair financial treatment of suppliers

Foundever will respect statutory payment deadlines and strictly and conscientiously adhere to its legal obligations.

Foundever operates in a fair and free commercial exchange principle, never subjecting payments to any kind of demands, even less unfair ones.

Foundever undertakes to follow the spirit of the law to:

- agree on the payment terms as part of dialogue with vendors;
- ask vendor to invoice promptly once the goods or services are provided;
- ensure a seamless payment process from end to end;
- issue payment no later than the statutory or contractual deadline once vendor deliver the service and requestor confirms the request was delivery successfully;
- notify suppliers if payment will be late or withheld, whether in relation to a dispute or otherwise, and address the matter proactively in all cases.

3. Maintain respectful relationships with all suppliers to encourage collaborative relationships to grow

Foundever will respect its contractual commitments and will actively listen to its suppliers. This is the hallmark of a fair and harmonious supplier relationship.

The goal is to work toward collaborative and mutually beneficial relationships with strategic suppliers.

This may involve:

- supporting them as they grow
- developing synergies in terms of skills, services or equipment, making sure to respect the management of the companies in question as per our fair and free commercial exchange principle.

Such collaborative initiatives may be formalized in an agreement that sets out the terms for a partnership relationship, excluding any practices that would constitute *de facto* management.

4. Identify and manage situations of mutual dependency with vendors

A risk factor for suppliers, in the event of a sudden change in order volumes, is concentrating too much of their business with a single customer (over 70% of business). When identified, Foundever will therefore encourage suppliers to pursue actions and initiatives that benefit their business (diversification, internationalization, digitalization, skills upgrading, etc.).

If it is necessary for Foundever to withdraw from the business relationship, when possible and depending on the rationale behind the termination, it should be done in stages and with advance notice, considering how long the relationship has been in place and, if applicable, the supplier's degree of dependency and its options for diversifying or adapting.

Conversely, a supplier that holds a monopoly could potentially jeopardize its customer's supply. In such a situation, it would be reasonable for Foundever to arrange multiple supply sources.

5. Ally with signatory organisations with commercial relationships with us

As part of bilateral relationships with current vendors providing services, Foundever will strive toward:

- a relationship of trust with the supplier's management, who, in the same spirit, will be encouraged to keep Foundever in the loop about relevant operational developments;
- open and collaborative innovation with potential suppliers, for instance by establishing close and regular dialogue.

6. Evaluate best total value and impacts

In determining the best total value, when possible, Foundever will consider:

- all cost components. This means not just comparing the price of goods or services but factoring in all incidental costs, such as:
 - logistics costs borne directly by Foundever (transportation, storage, etc.)
 - length of the technical development process (various stages)
 - time required for training and to acquire skills
 - after-sales costs calculated on the basis of equivalents services
 - cost of quality control and Corporate Social Responsibility audits
- the overall life cycle¹
- contingency factors that could affect total costs in the supply chain, such as:

¹ See ISO 20400, chapter 7.2.3.

- supply shortages
- compliance of products/services
- risks relating to dispute resolution and anti-corruption efforts
- currency fluctuations
- social, public health and (geo)political risks not covered by insurance
- reliability of after-sales service, with possible knock-on effects in terms of operating losses and brand image impairment

7. Give consideration to environmental and social responsibility issues

Recognizing that the operations of organizations have not only economic and financial consequences but also environmental and social ones, when possible, Foundever will take sustainable development considerations into account, namely the Sustainable Development Goals (SDGs)². This involves planning for future developments in the areas of:

- The protection of environment, for instance by taking into account issues associated with changes in fossil fuels, emissions pricing, energy consumption, raw materials, carbon footprints, waste management and lifecycle management;
- The protection of human rights, including inclusion and employment, for instance by promoting specific provisions in tenders.

The Procurement department will present award recommendations that consider relevant Sustainable Development Goals (SDGs). Foundever leadership team will ensure all relevant business areas align with the established SDGs and allocate appropriate budgets to address all pertinent environmental and social considerations. This alignment is crucial for fostering responsible and sustainable practices within the organization as final allocation will be determined by the respective business areas.

In its extra-financial performance reporting, Foundever will report on the social and environmental impacts of its operations and on its sustainable procurement strategy and outlook, particularly with regard to its values and the commitments it has made in issuing this Charter.

Foundever strives to set an example for its suppliers in terms of corporate social responsibility. In its evaluation criteria, it should include environmental, social and economic performance criteria adapted to the context at hand.

² 2 At the UN in September 2015, 193 countries adopted the Agenda for Sustainable Development, which sets out 17 Sustainable Development Goals (SDGs) to eradicate poverty, protect the planet and ensure prosperity for all by 2030. It is a global ambition that is universal and comprehensive in scope, calling for action from all countries and all stakeholders (national and regional authorities, corporations, citizens, users, etc.)

8. Be a responsible member of the local business community

Foundever shall:

- be an active participant and support the development of a network that fosters inclusion by maintaining good business relationships with vendors
- for the circular economy, depending on the procurement category, when possible, prioritize local suppliers and short supply chains;
- When possible, prioritize local economic development and investment.

9. Have a professional and ethical procurement function

To follow these principles in their day-to-day operations, Foundever relies on the professionalism of their procurement function.

Procurement professionals:

- have expertise in the hard and soft skills required in the procurement profession;
- behave ethically and responsibly toward vendors, based on a mutual sense of professional integrity that combines dedication, impartiality, fairness and transparency;
- be personally committed to combatting corruption, by being impartial and objective and avoiding situations that could lead to a conflict of interest;
- endeavor to develop - jointly with requesters - specifications that reflect the actual needs.

The quality of the vendor relationship is the result of collaboration, where each individual contribution plays a part. It is a mutual effort. The same principles therefore apply to anyone in the organization (requesting parties, end users, etc.) concerned by vendor relations and procurement activities.

Foundever also undertakes to ensure their employees have the necessary skills (individually and collectively, including soft skills) with a view to building collaborative relationships both internally and externally.

10. Conduct overall management of vendor relations through the procurement function

The Procurement function is responsible for executing the organization's sustainable procurement policy. In this capacity, it leads or coordinates all aspects of vendor relationships by:

- coordinating customer-vendor relationships based on mutual respect and responsibility, which should include actively listening to vendors;

- when applicable, implementing appropriate means for monitoring vendors;
- communicating the organization's procurement policy as transparently as possible;
- giving preference to out-of-court solutions to commercial disputes, for instance through the mediation process set out in the contract conditions;
- designing a sustainable procurement policy that aligns with the Corporate Social Responsibility priorities established by Foundever;
- evaluating the risks and opportunities of sustainable procurement to establish priorities for action.

Foundever is responsible for ensuring sustainable sourcing through open, free and fair tendering that adheres to the following rules: free access to calls for tender (through a qualifying process, if applicable), equality of treatment of bidders, transparency and traceability of procedures, and when feasible, consideration of Best Total Value as defined in item 6.

The procurement function will lead and/or coordinate the operational plans necessary to implement this Charter, monitor the associated indicators and take any required corrective action.

Foundever has appointed one or more Subject Matter Expert correspondents for the matter of this Charter whom vendors can contact to be put in touch with the right people in the organization.

11. Communication of this Procedure

This Procedure shall be made available to all Foundever Associates on EverConnect and Vendors on Foundever Vendors' Portal link and is published through internal and external communication channels, as appropriate.

12. Document management

Ownership

The **Document Owner** below is accountable for ensuring that this company document is managed, maintained and reviewed in line with most applicable international and local laws, regulations and standards.

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The **Document Custodian** is the person nominated by the **Document Owner** to perform an annual review and update of this Document; ensuring our business and people are protected and that our contractual obligations are being met.

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Storage & Use

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The users of this document are responsible for ensuring they are using the most up-to-date version.

The current version of this document can be accessed from the following link: [EverConnect](#)

History

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