



SUSTAINABLE PROCUREMENT POLICY

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○ POLICY STATEMENT

It is the Policy of TT Cables (hereinafter: TTC) to practice a continuous improvement approach to understanding and taking appropriate responsibility for any adverse environmental, social, and economic impacts of its purchasing. In doing so, TTC shall consider impacts on life-cycle basis and prioritize actions in alignment with TTC's values, magnitude of impact, and compliance with any applicable regulations.

○ PURPOSE

This Policy is adopted in order to align TTC's purchasing with its climate, social equity, risk reduction, resource use reduction, and stewardship values and goals and related policies. In doing so, TTC seeks to harness the influence of its purchasing to support markets for, and increase accessibility to, more sustainable goods and services.

○ APPLICABILITY

This Policy applies to all types of TTC funded procurements and to all divisions and employees. Specific employee roles, responsibilities, and expectations are further described within this Policy.

○ POLICY IMPLEMENTATION

In order to practice a continuous improvement approach to understanding and taking appropriate responsibility for reducing the adverse environmental, social, and economic impacts of its purchasing, this Policy establishes Core Strategies which establish overarching sustainable procurement strategies to implement over time. They provide value-aligned direction to take into account during project and program planning, and direction from which to build minimum requirements, best practices, and related implementation tools.

All TTC employees shall review the Core Strategies when planning and designing projects, developing project and operations budgets, developing asset management plans, writing product specifications or standards, selecting materials, making purchasing or supplier decisions, and developing and managing TTC contracts and price agreements as applicable to their roles and responsibilities and/or to a specific project.

CORE STRATEGIES

For any of the following Core Strategies, it is understood that they shall be undertaken in conjunction with traditional purchasing considerations, such as budget, product/service performance requirements, and availability. Core Strategies provide direction for decision making. Prior to making new purchases, employees are also expected to consider the need for the purchase, opportunities to extend the life of the existing item or material and meeting the operational need through a different means (e.g. leasing vs. purchasing).

1. Utilize processes, technologies, products, or services that reduce consumption of natural resources or chemicals.
2. Employ processes, technologies, products, or services that reduce waste.
3. Invest in energy and fuel-efficient products, services, and technologies that result in simple paybacks of 10 years or less, based on Total Cost of Ownership.
4. Invest in processes, technologies, products, or services that reduce the sourcing and use of Carbon-Based Fuels.
5. Seek processes, technologies, products, or services that support a Circular Economy.
6. Seek processes, technologies, products, or services that support biodiversity and healthy, resilient natural habitats.
7. Seek out, specify, and purchase products with lower Embodied Carbon than the status quo.
8. Seek out, specify, and purchase products that minimize exposure of Substances of Very High Concern to people and the environment.
9. Consciously design procurement processes and related programming to support a diverse contractor base, including small, minority, local and/or women-owned businesses.
10. Seek out processes, technologies, goods, or services that support transparency in either or both TTC's supply chain or product disposal endpoints regarding compliance with environmental regulations.
11. When using social or environmental product labels, seek out social/ecolabels that demonstrate that the product or service was independently certified to a reputable third-party environmental and/or social product or service leadership standard, preferably a multi-attribute standard that evaluates products or services along their entire life cycle.
12. Whenever possible, utilize Life Cycle Costing methods to determine the full cost of a product, service, or design.
13. Source from Fair Trade Certified (or similar) companies
14. Source energy efficient, certified IT equipment
15. Source environmentally friendly cleaning products and usables
16. Source from regions/countries with TI Corruption Perceptions Index above 25

REPORTING

To track progress in meeting this Policy's objectives at a minimum, the Procurement Department shall report to the TTC Board on the following on an annual basis as part of the Procurement Report:

- a. Number of Core Values implemented and in use by TTC as evidenced by actual solicitations, contracts, and/or procurements.
- b. Other KPI's or indicators as per this Policy or best practice.
- c. Number of sustainable procurement trainings provided to employees and number of unique attendees in total.

ROLES AND RESPONSIBILITIES

1. The Procurement Department shall periodically bring together stakeholders to review and update this policy.
2. All employees are responsible for following the Core Strategies when planning and designing projects, developing project and operations budgets, developing asset management plans, writing product and service specifications or standards, selecting materials, making purchasing or supplier decisions, and developing and managing TTC's contracts and price agreements as applicable to their roles and responsibilities and/or to a specific project.
3. The Procurement Department is responsible for developing and providing sustainable procurement training to TTC employees and other applicable stakeholders once annually which shall be documented.
4. The Procurement Department is responsible for developing and publishing reports according to the requirements in the Reporting section of this Policy.

DEFINITIONS

Carbon-Based Fuels - means coal, natural gas, renewable biomass, petroleum products, and any other product that contains carbon and emits carbon dioxide, methane, nitrous oxide, or other greenhouse gases when combusted, that are used for fuel, heating, cooling, or industrial processes, which processes shall include electricity generation.

Circular Economy - economy that is restorative and regenerative by design, and which aims to keep products, components and materials at their highest utility and value at all times, distinguishing between technical and biological cycles

Core Labor and Human Rights in the Workplace - International Labor Organization (ILO) Conventions that the ILO Governing Body has identified as "fundamental" Conventions, covering subjects that are considered to be fundamental principles and rights at work.

Embodied Carbon - the greenhouse gas emissions arising from the manufacturing, transportation, installation, maintenance, and disposal of materials or products.

Key Performance Indicators - critical quantifiable measures of progress toward an intended result.

Life Cycle - Consecutive and interlinked stages of a goods or services system, from "cradle to grave", e.g. from resource generation and raw material acquisition through production, use, and final disposal.

Life Cycle Costing – a method for calculating the costs of goods or services throughout their life cycle. It includes total cost of ownership (TCO) and positive or negative externalities which can be monetized, both to the organization and to society.

Substances of Very High Concern (SVHC): Substances that may have serious and often irreversible effects on human health and the environment. SVHCs are typically defined as those that have one or more of the following attributes:

- Persistent, Bioaccumulative and Toxic (PBT),
- very Persistent and very Bioaccumulative (vPvB),
- very Persistent and Toxic (vPT),
- very Bioaccumulative and Toxic (vBT), or
- known or likely to be:
 - carcinogenic,
 - mutagenic,
 - reproductive or developmental toxicant,
 - neurotoxicant or
 - endocrine disrupting.

Sustainable Procurement - A process whereby organizations meet their needs for goods, services, works and utilities in a way that achieves value for money on a life cycle basis in terms of generating benefits not only to the organization, but also to society and the economy, while minimizing damage to the environment.

Total Cost of Ownership (TCO) – a method for calculating the full direct cost of a good or service to an organization. It includes the initial cost/price of a good or service, as well associated maintenance, operating, and end-of-life costs.

EFFECTIVE DATE AND REVISION

This Policy shall take effect on the date of adoption and shall be revised once every three years at minimum.