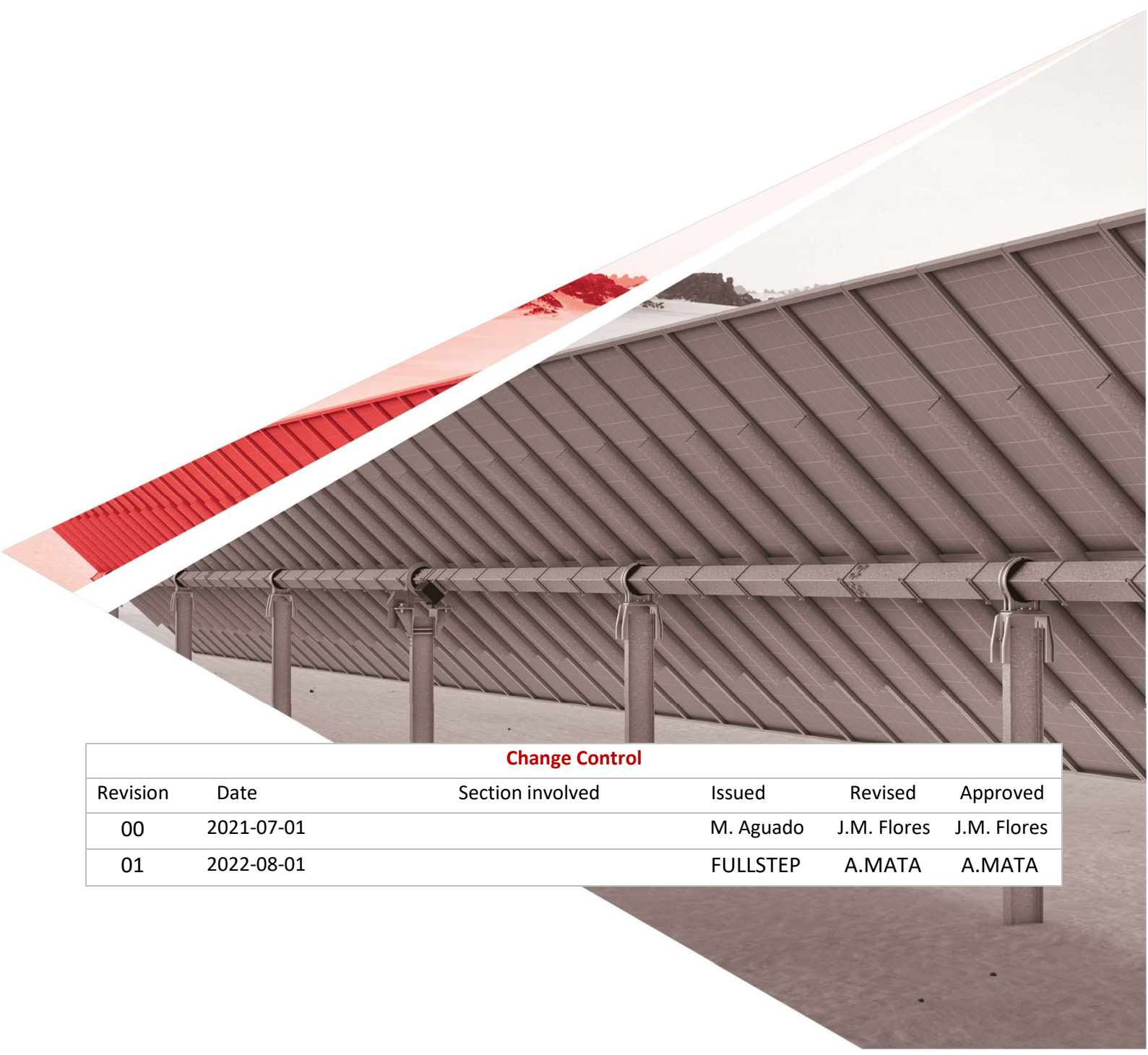




Soltec

Procurement Policy

CP-PRO-0001_en



Change Control

Revision	Date	Section involved	Issued	Revised	Approved
00	2021-07-01		M. Aguado	J.M. Flores	J.M. Flores
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1 PROCUREMENT POLICY

As a leading company in the photovoltaic market, Soltec has established a procurement policy which applies to all purchases made by sites reporting to the Procurement department worldwide. As a requirement for purchase operations, this policy pertains to all phases, including sourcing, supplier accreditation and selection, as well as to continuous supplier evaluation. Soltec's purchasing policy is based on the fundamental principles of Procurement, on the certifications of continuous improvement and sustainability in purchasing, as well as on its alignment to the Proposal for a Directive on Corporate Sustainability Due Diligence.

1.1 Procurement Principles

- Best Value for money in all purchases made, seeking an optimal balance between quality, price and delivery time so that the company can obtain the best price, guaranteeing that contracted products and services have a level of quality commensurate with required technical specifications, and adjusting supply to project-required deadlines.
- Fairness and confidentiality in the management of purchases from suppliers.
- Transparency in procurement and supplier management processes.
- Integrity, objectivity and impartiality of procurement team members with the aim of acting always in the best interest of Soltec.
- Sustainability in procurement, based on the 10 principles of the United Nations Global Compact and developing appropriate actions to increase the contribution of procurement to the company's strategic SDGs each year:
 7. Accessing affordable, safe and sustainable energy.
 8. Promoting sustained economic growth and decent work for all.
 9. Building resilient infrastructures and fostering innovation.
 13. Adopting urgent measures to combat climate change and its effects.
 17. Strengthening the Global Partnership for Sustainable Development

1.2 Certificates in Continuous Improvement and Procurement Sustainability

SOLTEC's Procurement Unit:

- Is focused on continuous improvement and the search for added value. UNE15896 certification helps the department to identify and develop these best practices.
- Commits to sustainable procurement processes, integrating sustainability criteria in all purchase-related decisions, in supplier accreditation and selection processes, as well as in awarded supply and service contracts. Soltec will ensure that suppliers reinforce the implicit values of sustainability in their supplies and/or services, a premise which is subject to continuous verification. The ISO20400 certification marks the roadmap, containing annual milestones for sustainable supply chain development in order to reach the goal of maximizing standard compliance (%) in 2030.
- Contributes to the organization's strategic SDGs, using the necessary levers to increase contribution levels each year:

- ✓ Before a framework supply agreement can be signed with suppliers, Soltec requires the latter to guarantee the protection of fundamental Human Rights within their sphere of influence. This is ensured through the express commitment of suppliers to comply with United Nations Universal Declaration of Human Rights provisions.
- ✓ Soltec is committed to complying with international labor standards for workers, both staff and suppliers, in accordance with the ILO Declaration on Fundamental Principles and Rights at Work. Soltec also promotes equal opportunities and non-discrimination in the management of human resources.
- ✓ Innovation as a differentiating and development element which favors a preventive approach towards environmental safety. Through global actions, Soltec promotes greater environmental responsibility in both in-house and supplier processes.
- ✓ Soltec's Corporate Compliance program fosters a work culture which values integrity and ethical behavior in the way employees relate to suppliers, applying a code of conduct specially focused on anti-bribery measures and the avoidance of potential conflicts of interest.

1.3 Alignment to the European Directive on Supply Chain Sustainability

On February 23, 2022, the European Commission presented the Proposal for a Directive on Corporate Sustainability Due Diligence.

- The Directive aims to require certain companies - European and third country - to establish processes identifying, preventing and designing solutions which address adverse impacts on human rights and the environment, especially when such impacts might be caused by the companies themselves, their subsidiaries and/or organizations within their supply chain.
- Failure to comply with these obligations may result in penalties and civil liability.
- Specific obligations are contemplated for the administrators of undertakings -although only for those incorporated in the European Union-.
- Once the proposed Directive is presented and comes into force, the European legislative procedure is initiated and a period of two years is foreseen for transposition to the Member States.

The Procurement Unit of SOLTEC, fully aligned with the spirit of the Directive, develops ISO20400 roadmap tasks to ensure regulatory compliance once the Directive is transposed into Spanish law.