

# RESPONSIBLE PROCUREMENT POLICY



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# Konecta





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This Responsible Procurement Policy establishes the basic principles of Konecta Group (hereinafter Konecta, the Company, the Organization) to achieve a responsible and efficient management in the procurement of goods and services by establishing a system for selecting, evaluating, and monitoring suppliers in accordance with the needs of the Company.

## 1.- PURPOSE

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This Responsible Procurement Policy is intended as a guide for making decisions related to the procurement of goods and services, ensuring the selection of suppliers who comply with the principles established in the Code of Ethics for Konecta Suppliers.

The departments involved in making acquisitions and managing the procurement of services through Konecta's Purchasing Portal have the following responsibilities:

- Ensuring that the **selection of suppliers** complies, at all times, with the existing domestic legislation and, in particular, with the provisions set forth in Konecta's Code of Ethics, with regard to integrity and ethics, transparency, trust, excellence, professionalism, innovation and sustainable development.
- Demanding **compliance with the laws and regulations** that apply to the countries where the Company operates, as well as to the basic fundamental criteria related to human and labor rights, non-discrimination and equal opportunities, respect for the environment and ethical behavior, expressed in the **10 principles of the Global Compact, the Universal Declaration of Human Rights and the core conventions of the International Labor Organization**.
- Ensuring **continuous improvement of the procurement process**, underpinned by the principles of corporate responsibility and sustainability.
- Boosting the demand of **products, services and / or sustainable projects**.

## 2.- SCOPE OF APPLICATION

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This Policy is globally applicable to all Konecta entities, and is endorsed by the General Management and the Board of Directors. Every member of the Company is responsible for promoting the principles and commitments herein contained.

Konecta Group companies established outside the EU shall adapt, where appropriate, their internal regulations on procurement processes to the very rules that each state may have, while respecting and safeguarding the basic principles herein outlined, aiming at constantly improving the existing operational procedures for the responsible procurement of goods and services, honing all control systems in management.

## 3.- GENERAL PRINCIPLES OF ACTION

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Konecta attaches the utmost importance to the responsible management of resources, with the following basic principles in all its procurement processes and / or contracts:

- **Quality:** commitment to quality assurance of the products and services provided, innovation, and R&D.
- **Concurrence of suppliers for the same procurement process** where possible, with the submission of at least three (3) offers from various suppliers to be assessed in the selection and procurement process.
- **Independence** in the decision to purchase goods or contracting of services, which should be detached from any personal, family or economic ties that might question the criteria used in the decision-making process, and be entirely regulated by the Code of Ethics, the Suppliers' Code of Ethics, and the internal procedures and manuals to regulate the procurement process.
- **Transparency in the selection of suppliers** for which the Company makes this Policy publicly available. The safety and quality of the goods and services delivered is essential for the Company. Therefore, Konecta has implemented a prior and compulsory process for the approval of its suppliers in its Purchasing Portal. Meeting this prerequisite is essential for the procurement or delivery of services. The Purchasing Portal guarantees transparency throughout the whole process, from the detection of needs to product delivery, or new acquisition services.
- **Ethical and responsible actions** in suppliers' relations, which shall be developed under principles of honesty, respect for people and social and environmental values. Similarly, Konecta employees shall observe at all times the provisions contained in the Code of Ethics, and the Code of Ethics for Suppliers, ensuring compliance with current legislation in all policy areas.
- **Objectivity** in decision-making, based on the assessment of the selection criteria established in the internal rules of implementation.
- **Efficiency** in the procurement of goods and services to fit our principles of necessity, appropriateness, and austerity in spending. Similarly, to ensure this criterion, approval processes shall be centralized in a corporate entity that shall ensure compliance with all the above specified.
- **Diversification** of the business, where possible, amongst different local, national and international suppliers, to promote a balanced generation of wealth, equal opportunities, as well as to diversify risk.
- **Sustainability**, suppliers who demonstrate the following shall be viewed positively:
  - Commitment within their own organization to raising the levels of information, training, health and welfare of their employees through occupational risk assessments.
  - Specific actions in the field of corporate responsibility.
  - The adoption and respect of legal instruments concerning labor and social matters, such as the basic conventions of the International Labor Organization (fair employment practices, the right to association and collective bargaining, prohibition of forced or child labor and non-discrimination in employment), as well as any other treaty, convention, guidelines or rules arising from international organizations.

Konecta shall avoid hiring suppliers known have expressly committed legal, tax, labor, environmental breaches on safety and health, or human rights, in the last three years.

## 4.- UPDATE AND REVIEW

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This Responsible Procurement Policy shall be reviewed and updated, where necessary, to adjust to the changes experienced by Konecta's business model, or to those resulting from the adoption of rules of direct application, while ensuring its effectiveness and compliance.

NOTE: This Responsible Procurement Policy was revised and approved on 19 December 2022 by the Konectanet Group's governing body, S.L.U..