



# Procurement Policy

## AMBITION

## SUSTAINABLE PROCUREMENT COMMITMENTS

Our ambitious targets to decarbonize our operations, to preserve natural resources, to deepen our connection with local communities and to ensure the health and safety of all the workers in the NGE value chain are intrinsically tied to those of our partners.

The effectiveness of our endeavours in this field in fact depends primarily on the commitment of all our partners, which, by endorsing our values, play an active part in enabling us to attain our sustainability targets.

By sharing these undertakings, we are helping to build together an accountable value chain, contributing to the ecological transition, to respect for human rights and to the creation of sustainable value for all the territories and communities where we operate. Our partners also undertake to involve their own suppliers, service providers and subcontractors in this effort to enhance the overall performance of the Group. They agree to cooperate with the internal or external auditors instructed by NGE and to ensure that their own suppliers and subcontractors follow suit.

By signing these Undertakings, the partner certifies that it complies with the principles arising from the United Nations' Universal Declaration of Human Rights, the fundamental conventions of the International Labour Organisation (ILO), the sustainable development targets of the UN, and the guiding principles for multinational companies of the Organisation for Economic Cooperation and Developments (OECD), as well as complying fully with the applicable laws and regulations and with any contractual provisions that are in force.

## **I. As to business practices**

### **1. Corruption**

Corruption and influence peddling are offences for which both companies and natural persons can incur severe punishments. The partners must implement measures to combat any form of corruption, be it active or passive, to prevent any behaviour or any situation which might lead to criminal prosecution. The Partner's commitments in this respect shall be enshrined in contractual terms and may be monitored by NGE using an assessment mechanism.

#### **The partners undertake:**

- To implement measures to raise awareness and adopt lawful, transparent and fair business practices to counter corruption,
- To ensure that their employees are made aware of the risks posed by conflicts of interest and are able to report any actual or potential conflict of interest,
- To implement internal practices and/or procedures designed to limit any risk of a breach of integrity in their business relationship with NGE, including with their own suppliers or subcontractors.

### **2. A culture of integrity**

NGE undertakes to always defer to the applicable rules and regulations and to implement and promote an ethical approach in its dealings with its partners.

#### **The partners undertake:**

- To comply with NGE's Procurement Policy and Code of Ethics,
- To implement clear and consistent communications and disclose any information that might prevent any risk of non-compliance with the commitments laid down by the contract or any other problem in their dealings with NGE or its employees,
- To avoid being in a position of dependency on NGE,
- To guarantee the confidentiality of the information exchanged with NGE, for instance by drawing up non-disclosure agreements,
- To negotiate honestly and fairly with NGE,
- To comply with the provisions of the Code of Ethics relating to gifts and other tokens of hospitality, namely, to only offer gifts that are of a symbolic value or a low value, never paid in cash and in keeping with common practice in business and with the legal and regulatory environment of each country.



### 3. Respect of the principles of competition

Competition law prohibits two types of anticompetitive practices:

- collusion and exchange of sensitive information among competitors, such as price fixing or sharing of clients.
- abuse of a dominant position that might jeopardise the existence of free, open and fair competition.

#### The partners undertake:

- To comply with competition law which prohibits any wrongful or unlawful behaviour and any restrictive or anticompetitive practice,
- To oppose any collusion among competitors aiming to distort the free operation of the market (price-fixing, limitation of production, collusion to selectively bid for contracts),
- To freely set its sales and industrial policies, as well as its prices, without any exchange of sensitive information with competitors (such as within the scope of professional meetings, partnerships or benchmarking),
- To prohibit any wrongful exploitation of a supplier's economic dependency on a client.

## II. As to human rights and the fundamental right to work

NGE is committed to promoting and enforcing compliance with its human rights policy among its employees and promoting it among its partners. NGE expects them to pursue their activities in a spirit of respect of human rights.

### 1. Child labour

In accordance with its undertakings under the fundamental principles of the ILO, the United Nations' Global Compact and the principles of the OECD, NGE strictly prohibits the use of child labour, i.e. the use of workers who have not reached the legal age to work, throughout the value chain, whatever the country in which the services are provided.

#### The partners undertake:

- To strictly comply with the age limit stipulated by the legislation of each of the countries where they operate and to never cause a child aged under 16 to work, in any country whatsoever,
- To exercise absolute vigilance in this respect when choosing their suppliers and service providers,
- To refuse to work or to immediately stop working with anyone who causes children aged under the legal working age or aged under 16 to work.



## **2. Forced or compulsory labour**

NGE strictly prohibits forced or compulsory labour, whatever the form thereof: servitude, slavery, or the retention of migrants or illicit workers by illegal means.

### **The partners undertake:**

- Never to resort to forced labour through threats or intimidation: all work should be performed voluntarily in return for lawful wages, and not coerced by threats of or actual criminal punishments or criminal proceedings, violence, detention, the confiscation of identity papers, or the deprivation of legal rights or privileges,
- To ensure that workers are free to consent to employment and to resign in accordance with the prevailing and applicable laws and regulations and with the collective bargaining agreements,
- To vigilantly monitor its suppliers and subcontractors that are likely to resort to any form of forced labour, or labour enforced by threats or duress.

## **3. Illicit labour**

Illicit labour involves failing to officially declare to the appropriate authorities any person who works for the company, thereby depriving them of their social rights and depriving the authorities of the social security contributions linked to their work.

### **The partners undertake:**

- Not to resort to illicit labour as defined by the rules of the countries in which they operate.

## **4. Working conditions**

NGE demands that its partners comply with the Labour Law regulations that are applicable in each of the countries in which they operate, in respect of health and safety, in order to ensure healthy and safe working conditions and working environments.

### **The partners undertake:**

- To bar any degrading practices from their company, such as corporal punishments, psychological and sexual harassment,
- To take the requisite measures to ensure that each employee is treated with respect and dignity,
- To vigilantly monitor their suppliers and subcontractors that might resort to any form of forced labour performed under threats or constraints. If a partner discovers such a situation at one of its suppliers, it must immediately terminate any relationship with that supplier,
- To treat each employee with fairness and dignity.



## 5. Wages and social benefits

The partners must ensure that the remuneration that they pay to their employees complies with all the prevailing laws governing wages (minimum wage, overtime, etc.). Should the applicable laws and regulations not set a minimum wage, the partners must at the very least remunerate their employees at the market wage for the job they do.

### The partners undertake:

- To comply with the local laws and regulations governing working hours, including overtime. In the absence of any such rules, the standards of the ILO should be applied,
- To comply with the local laws and regulations governing minimum wages and social benefits,
- To pay their employees' wages at regular intervals and to clearly inform them about their terms of remuneration,
- To implement measurement and control mechanisms, and in general to pay particular attention to any inherent health, safety and environmental risks.

## 6. Discrimination

Discrimination means unfair or detrimental treatment of persons and groups on the basis of characteristics such as skin colour, gender, age, sexual orientation or religion.

### The partners undertake:

- To abide by the fundamental principle of non-discrimination. No distinction, exclusion or preference should be exercised against an employee or a candidate owing to considerations such as gender, age, skin colour, ethnic or social background, nationality, religion, political affiliations, sexual orientation, disability or any other criteria protected by local laws and regulations,
- To comply with the applicable rules and regulations governing the employment of disabled persons,
- To encourage and promote diversity and inclusion as vectors of performance and innovation.

## III. As to the protection of health and safety

The partner must do everything in its power to minimise the risks and take all requisite precautions to prevent accidents and work-related illnesses and provide protection to workers against same. Given that the physical integrity of people is at stake, NGE expects its partners to apply identical standards of safety at work when they operate on NGE's sites. To that end, the partners should report any anomaly that is witnessed to the Manager of the building site on which the partner is operating.



#### **The partners undertake:**

- To organise regular training courses to ensure that workers are sufficient aware of health and safety at work,
- To inform the workers and to train them in the prevention of risks linked to the use of products and equipment that might pose any danger to their health and safety,
- To provide their workers with adequate clothing and protective equipment, as well as instructions on their use,
- To ensure that workers have access to first aid equipment and facilities,
- To also ensure that their activities are not harmful to the health and safety of their subcontractors or any other parties involved in their operations, or local residents or users of their products,
- To make their employees aware of NGE's reporting platform which guarantees the protection of whistleblowers.

## **IV. As to protection of the environment**

NGE aims to develop responsible and accountable relationships with its partners and to involve them in its environmental advocacy. The environmental and social dimensions constitute key tenets of NGE's Procurement Policy, starting with the selection of its partners.

The partner must have procedures in place designed to minimise its environmental impact and to implement measures designed to counter climate change and protect the environment, such as by reducing emissions of greenhouse gases, protecting biodiversity and ecosystems, avoiding over-exploitation of natural resources and waste management.

NGE therefore expects its partners to provide it with an analysis that factors in the notion of overall cost, charting a long-term vision of the economic and environmental dimensions of a purchase. The partner is expected to incorporate criteria such as protection of the environment and health & safety in the purchase of goods and services, and the design, the production and implementation of its own goods and services, in order to reduce their impact in these domains throughout their life cycle, while maintaining and/or improving their quality.

### **1. Climate action**

Decarbonization is a key NGE aim, and to that end, we expect our partners to help us meet our targets for 2030, including with regard to Scope 3. The partners shall take actions to control their energy consumption and to reduce their emissions of greenhouse gases, both in their direct operations and across their value chain.

#### **The partners undertake:**

- To draw up and implement an action plan to cut their carbon emissions,
- To measure and publish a yearly analysis of the carbon footprint of their products and/or services.



## **2. Reducing the consumption of natural resources**

The aim is to control and reduce the consumption of raw materials by cutting the amount of waste generated, systematically sorting waste in order to foster recycling (reuse, upcycling, recycling, use in generating energy) and fostering the circular economy.

### **The partners undertake:**

- To offer a wider range of materials, goods and services that are sustainable, certified and designed to be environmentally friendly,
- To source supplies of wood, cardboard boxes and paper fibres that are not produced by deforestation (PEFC or FSC labels).

## **3. Protecting biodiversity**

The NGE Group is keen to limit its impact on biodiversity.

### **The partners undertake:**

- To take into consideration and reduce the impacts of their products, or of those that they use, throughout their life cycle, from design and production to utilisation and end of life,
- To apply the best practices in terms of protection of the environment, with the aim of protecting nature, maintaining biodiversity and ecosystems, avoiding over-exploitation of natural resources, and implementing a sensible management of waste and toxic substances,
- To promote these actions to protect biodiversity within their establishment(s), in their ecosystem and throughout their supply chain,
- To make their employees aware of the issues inherent in protecting biodiversity.

## **4. Limiting the impact of business activities on water resources**

The direct water consumption of the NGE Group may affect areas prone to water scarcity. That's why the protection of water resources is a major concern for NGE and all its value chain.

### **The Partners undertake:**

- To minimise the impact of their discharge of wastewater while ensuring that such discharges are treated in accordance with the applicable regulations, with an emphasis on using products with environmental labels (for cleaning, maintenance gardening, etc.) to limit the concentration of chemical substances in wastewater, and choosing suppliers that are respectful of the environment,
- To minimise water consumption as far as possible by any suitable means.

## **MEASURES TAKEN TO SANCTION NON-COMPLIANCE WITH THESE UNDERTAKINGS**

The partners hereby acknowledge that compliance with the principles laid down in these Undertakings is a key element of their business relationship with NGE. Should a partner not be able to comply or no longer be able to comply with any of these provisions, it must notify this to



NGE immediately. NGE shall initially call for the implementation of an improvement plan drawn up with the partner. Should the partner nevertheless fail to comply with any of these principles, this might constitute valid grounds for the termination of the contractual relationship.

**For the Supplier:**

**Name and title of the signatory:**

**Date:**

**Signature:**

