



SERIS Procurement Sustainability Policy

FOR-SB-FIN-02 SERIS Procurement Sustainability Policy edition 1 – 21/02/24

Subject

Formal policy on sustainability within procurement activities

Purpose

The purpose of this policy is to solidify sustainability and ESG within procurement and our suppliers

Scope

Country/Subsidiaries/Department : Belgium / All SERIS Belgium subsidiaries / Procurement

Abbreviations

ESG	Environment Social Governance
CEO	Chief Enterprise Officer
CFO	Chief Finance Officer
CLO	Chief Legal Officer
SME	Small Medium Enterprises

Introduction

This procurement sustainability policy must be seen as an addition to our obligations to comply with all other company policies, including the SERIS ESG policy and all other International and national laws and regulations. We are committed to review this policy on an annual basis.

Disclosure

The Procurement Sustainability Policy will be disclosed on the SERIS company website and made available to all external stakeholders.

Sustainability Governance Model

- 1- Procurement department, is under the direct responsibility of the 'CFO & ESG Director'.
- 2- Minimal quarterly meeting, with concrete action plan, takes place between the 'CFO & ESG Director' and CEO.
- 3- Minimal quarterly meeting, with concrete action plan will take place between the 'CFO & ESG Director' and the HSEQ-Manager.
- 4- Minimal quarterly meeting, with concrete action plan will take place between the 'CFO & ESG Director' and the Target audience.

Procurement Mission

Our procurement department aims to be a sustainable relationship architect and coordinator between our internal stakeholders and the outside market of suppliers. We fulfil the internal demands in line with the business strategy and company values, with a strong focus on sustainable value creation. This



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sustainable value creation is driven by ESG, risk mitigation, assurance of supply, cost avoidance, cost reduction, and a lean time-to-market process.

Procurement Priorities

- 1- Business Continuity
- 2- Regularity
- 3- Quality
- 4- ESG
- 5- Service
- 6- Total Cost of Ownership TCO
- 7- Innovation
- 8- Continuous Improvement

Due Diligence 'SERIS Supplier Code of Conduct'

A SERIS Supplier Code of Conduct is available in 3 languages and disclosed on our company website. With this document we want to emphasize the importance of Environmental, Social, Governance and Compliance to our suppliers, in our and their road trip to a more sustainable supply chain.

Procurement Processes

Our procurement processes contain sustainability topics to be considered during the 3 main procurement processes:

- 1- Onboarding new supplier
- 2- Purchasing and Goods reception
- 3- Supplier Evaluation

Sustainability awareness and trainings

On a regular basis, training on sustainability topics will be provided to the employees involved in procurement activities. Every training will be registered in the future on our Qualtrics training platform and be available for new members, belonging to the target audience, in their onboarding program.

Procurement Sustainability KPI's

To emphasize our commitment, we implemented procurement sustainability KPI's which will be evaluated minimum one time per year. In alignment between 'CFO & ESG Director' and the CEO. These KPI's can be reviewed and/or additional ones could be implemented to show our enhancing sustainability engagement.



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1° KPI “Supplier Code of Conduct”

SERIS wants their suppliers to work in a sustainable way and wants them to either sign the SERIS supplier code of conduct or provide a different proof of commitment to ESG principles via their own Code of Conduct or equivalent alternative e.g. member of UN Global Compact.

The KPI to track this is measure by taking the total spend for year X -1 for suppliers adhering to the above (signing the supplier code of conduct or providing an alternative) divided by the total spend year X-1. The ambitions for this target are the following:

2024: 50%

2025: 70%

2026: 75%

2027: 80%

2° KPI “Sustainability Trainings”

Trainings regarding sustainability are provided to the procurement community on a regular basis. It is the objective that each member of the procurement community follows at least 1 training on sustainability a year. The attendance rate will be registered in our Qualtrics platform system.

3° KPI “Ecovadis Procurement score”

Ecovadis is known as an ESG rating agency.

SERIS commits to obtain a yearly Ecovadis rating . The Ecovadis rating consists of four blocks. The fourth block is related to procurement activities..

We set the following targets:

2024: SERIS sustainability procurement score must exceed minimal 10 % the “ European Sustainability Procurement “ score published by Ecovadis in their yearly “ Business Sustainability Risk and Performance Index year x “ report.

2025 -.... : From year 2025 onwards our SERIS sustainability procurement score must exceed the “ European Sustainability Procurement “ score published by Ecovadis in their yearly “ Business Sustainability Risk and Performance Index year x “ report

4° KPI “Sustainable aspects/clauses in new agreements/contracts”

2023 - : From the year 2023 onwards SERIS implemented one or more sustainability (Environmental, Social, Governance) related aspects/clauses in their new agreements/contracts with suppliers. We aim to have sustainability aspects/clauses in all our new future agreements/contracts.



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5° KPI “Payment Conditions SME’s vs Average payment conditions”

SERIS promotes fair payment terms for all suppliers without discriminating small from large suppliers. We have set the target that as from 2026 the SERIS supplier average payment conditions for the top 20 highest spend suppliers is similar to the average payment conditions for the bottom 50 supplier measured by spend.

Enhance & integrate continuously more sustainability awareness

To enhance the sustainability awareness within the procurement community and our suppliers we aim to introduce and implement below additional step in our sustainability road trip:

1. Invite 5 suppliers to fill in the online Ecovadis Questionnaire in 2024

Formal Approvals

- 1- CFO & ESG Director
- 2- CEO

Responsibilities

- Development and maintenance of the policy : CFO & ESG Director
- Implementation of the policy : CFO & ESG Director
- Monitoring of compliance to the policy : Internal auditor