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Global IT Consulting Company

Version 1

Sustainable Procurement Policy

April 07, 2025

Sustainable Procurement Policy

1. Context and Commitment

Xpand IT recognises that procurement decisions have a significant impact not only on our supply chain, but also on the environment, society, and the economy. We are committed to integrating **environmental, social, and economic responsibility** into all purchasing activities.

This policy applies to all employees involved in the procurement process, as well as to suppliers, partners, and service providers.

2. Objectives

- Promote procurement practices aligned with sustainable development principles.
- Select and collaborate with suppliers who demonstrate a commitment to **human rights, ethics, transparency, responsible innovation, and environmental care**.
- Integrate **lifecycle considerations**, **ESG risk management**, and **regulatory compliance** into purchasing decisions.
- Strengthen the contribution of our supply chain to **Xpand IT's sustainability objectives** and those of our clients.

3. Guiding Principles

Our policy is based on the following core principles:

a) Accountability

We take responsibility for the social, environmental, and economic impacts of our procurement decisions, fostering continuous improvement and legal and ethical compliance.

b) Transparency

We ensure fair, clear, and traceable procurement processes, promoting supplier relationships based on mutual trust and integrity.

c) Respect for Human and Labour Rights

We prioritise suppliers who respect ILO conventions, prohibit child or forced labour, and promote equality, diversity, and safe working conditions.

d) Anti-Corruption Practices

We enforce practices that prevent corruption, conflicts of interest, and unethical behaviour throughout the supply chain.

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e) **Environmental Considerations**

We incorporate environmental criteria into procurement decisions, such as:

- Energy efficiency and emissions reduction in technology purchases
- Minimisation of e-waste and packaging materials
- Preference for low-carbon suppliers and responsible resource use

4. Supplier Assessment Criteria

Xpand IT commits to assessing and selecting suppliers based on criteria such as:

- Certifications in management systems (e.g., **ISO 14001, ISO 45001, ISO 27001**)
- Environmental policies and eco-efficiency practices
- Ethical conduct and corporate social responsibility
- Compliance with applicable legal and regulatory requirements
- Capacity for sustainable innovation

Wherever possible, we give preference to suppliers that are considered local in the context of our operations — this includes suppliers based in regions where Xpand IT has offices, delivery centers, or relevant project execution. The intent is to reduce environmental impact, support local economies, and foster community engagement.

This does not exclude international or global suppliers with proven ESG credentials. We also actively seek to collaborate with innovative SMEs and organisations with demonstrably strong sustainability practices, regardless of geography, where they add value to our global delivery model.

5. Integration with Company Strategy

This sustainable procurement policy aligns with Xpand IT's **ESG commitments and values**, supporting:

- Reduction of the company's **environmental footprint**
- Supply chain **resilience**
- Compliance with regulatory frameworks such as **CSRD**, **CSDDD**, and the **EU Taxonomy**.

6. Monitoring and Continuous Improvement

The policy will be reviewed periodically to ensure its effectiveness and alignment with evolving best practices. Key performance indicators (KPIs) will be monitored, including:

- Percentage of suppliers assessed using sustainability criteria
- ESG compliance trends across the supply chain
- Internal satisfaction with procurement processes

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7. Commitment to Collaboration

Xpand IT promotes a collaborative approach with its suppliers, offering guidance, feedback, and opportunities to co-develop more sustainable solutions.

Approved by: Paulo Lopes - CEO

Date: April 7th, 2025

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