

MP 2 010 Revision 0 Date: 19/02/2026	SUSTAINABLE PROCUREMENT POLICY	 THE ACCESSORY IS ESSENTIAL
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Introduction

IDEPA – Indústria de Passamanarias, Lda is committed to promoting sustainability across all its operations. Our Sustainable Procurement Policy reflects our commitment to sourcing products and services that not only meet our operational needs but also respect the environment, human rights, and promote social and environmental responsibility, while fostering the company's competitiveness.

Objectives

1. Establish a set of guidelines enabling all employees involved in the procurement process to understand and make the best possible supplier selection;
2. Integrate sustainable practices at all stages of the procurement process;
3. Reduce the environmental impact of our purchases;
4. Promote ethics and social responsibility in supplier relationships;
5. Encourage innovation and the adoption of sustainable technologies;
6. Minimise risks in IDEPA's commercial practices;

This procurement policy applies to all employees involved in purchasing, procurement, and supplier management processes. All employees performing purchasing activities must read and understand this policy, which will be made available and communicated through internal training sessions.

Guidelines

1. Supplier Selection Criteria

In addition to criteria such as price, quality, compliance with delivery deadlines, regulatory requirements, technical support, and reliability, criteria related to sustainable and social practices are also considered and may serve as tie-breakers between suppliers. Signing the Supplier Code of Conduct is a selection criterion for new suppliers and an evaluation requirement for existing suppliers.

Whenever possible, preference will be given to suppliers who adopt sustainability and social responsibility practices, including:

- **Environmental:** efficient resource management, waste minimisation, reduction of greenhouse gas emissions, and compliance with applicable environmental legislation;
- **Social:** respect for human and labour rights, promotion of fair and safe working conditions, diversity and inclusion;
- **Ethics and Governance:** transparent business conduct, anti-corruption policies, and alignment with international standards;

To support this decision, our new supplier assessment questionnaire includes indicators such as:

- Certifications (ISO 9001, ISO 14001, FSC or PEFC, GRS, OEKO-TEX, and others as applicable);
- Supplier Code of Conduct – IDEPA Sustainability (signed);
- Waste segregation and management;
- Monitoring and management of CO₂ equivalent emissions;

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- Monitoring of energy efficiency or other relevant environmental indicators;
- Ethical and labour compliance procedures;

This approach ensures transparent integration of environmental and social practices in supplier selection, while enabling the monitoring and documentation of each supplier's ESG maturity level.

2. Inclusive Procurement

- Ensure transparency, ethics, and traceability in all purchasing transactions;
- Guarantee that all suppliers are treated impartially and have equal access to information and negotiation conditions, with full documentation and archiving of the entire procurement process;

3. Confidentiality and Data Protection

- Information provided by suppliers must be handled responsibly and strictly within the scope of procurement and supplier management processes, ensuring compliance with data protection regulations;
- Data security and protection are managed in accordance with procedure P 6.4 – Data Security;

4. Communication

The dissemination of this policy aims to promote continuous training for the procurement team, in order to share knowledge on sustainable practices, responsible consumption, and supplier evaluation. Whenever significant changes occur in this policy, a dedicated session must be held to present the Procurement Policy and ensure that the team remains informed and aligned with the organization's sustainability and social responsibility principles.

5. Sustainable Procurement Targets

IDEPA has established specific targets for suppliers and the procurement department to promote its sustainable procurement policy. These targets reflect the company's commitment to sustainable and socially responsible practices, ensuring their implementation and monitoring.

The defined targets are:

- By 2030, 50% of our key suppliers will have signed and accepted our Supplier Code of Conduct – Sustainability;
- By 2030, 100% of reported ethical non-compliance cases involving suppliers will be investigated and addressed in accordance with internal procedures, with full documentation and closure;
- Promote the purchase of recycled raw materials, representing approximately 20% of the total kilograms produced by 2030;

6. Sustainable and Responsible Procurement Measures

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To achieve the defined targets, IDEPA has implemented the following actions:

- Implementation of the Supplier Code of Conduct – Sustainability for all current and new suppliers. This Code will first be implemented with key raw material suppliers and progressively extended to all suppliers;
- Incorporation of sustainability and social responsibility criteria into the annual supplier evaluation, enabling prioritisation of suppliers with better performance in these areas;
- Expansion of GRS certification scope to covered yarns, increasing the number of products that can be marketed with this claim (ensuring that at least 20% of raw materials used are recycled);
- Promotion of sustainable product development and support for customers in developing such products.

Conclusion

IDEPA – Indústria de Passamanarias, Lda believes that adopting a Sustainable Procurement Policy is not only an ethical responsibility but also an opportunity to lead by example, promote innovation, and contribute to a more sustainable future.

We are committed to implementing this policy and reviewing it periodically to ensure its effectiveness, at least every three years or whenever significant changes occur.

The review is the responsibility of the Quality Director of IDEPA – Indústria de Passamanarias Lda, based on the analysis of indicators, achieved results, and stakeholder input.

Updates are communicated to suppliers and, where applicable, to internal and external stakeholders.

Supplier Relationship Management

Idepa promotes a relationship of trust with its suppliers, believing that this bond is fundamental to its activity.

In order to satisfy our customers' requirements and expectations and meet the company's growth strategy, the evaluation of our suppliers is essential.

Suppliers evaluation

Supplier Assessment is a tool used to assess compliance with our requirements, with the purpose of enhancing positive points by building loyalty with the supplier.

Annually, Idepa promotes the Supplier Assessment for the previous year, following these assessment criteria:

- Commercial conditions;
- Compliance with the Delivery Deadline;
- Technical support;
- Handling complaints;
- Compliance with required Certifications and Specifications.

According to the result achieved, a score is assigned that defines the actions to be carried out.

Depending on the score, suppliers will be informed about their performance.

Rating	Classification
IF > 95	A - Supplier that maintains qualitative regularity, deserving of trust – Good performance
$80 \leq IF \leq 95$	B - Supplier with quality variations, requiring improvements - Is informed with areas need to improve
IF < 80	C - Poor quality supplier – Needs to implement improvement actions in its process to supply again

Communication: Suppliers with a C rating must be informed of the evaluation results and must present an action plan to improve their rating.