



# Sustainable Procurement Charter





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# 1



## STATEMENT OF INTENT

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Integrity and social responsibility are essential to do business in a complex world. A business cannot grow without a sustainable bond of trust with its stakeholders.

In its Company Code, Indaver aims to be transparent about its mission and core values and about how it fulfils them. It clarifies what we expect of our stakeholders and how we translate our core values into daily business.

Indaver also set up a Code of Conduct, which is a set of principles to clarify to all suppliers/business relations involved what they can expect from Indaver and, conversely, what we expect of them.

Our mission:

***Leading the field in sustainable waste management***

Our core values:



***Demonstrating concern for people, safety and the environment***



***Building relationships based on mutual trust***



***Transparency in communications and actions***



***Concentrating on achieving results***



***Continuously improving***

Indaver has a Sustainable Procurement Charter and a Code of Conduct for Suppliers in order to reflect our commitment to sustainable development and to do business with partners which have made such a commitment or are in the process of doing so.

We are committed to work with our partners to promote responsible practices in general and throughout our supply chain. Our aspiration is to ensure that all our partners acknowledge our values and share our commitment to conduct business in an ethical, legal and socially responsible manner. We strive to continually improve within the areas of human rights, labour standards and the environment and to work against any form of corruption.

We strongly believe that a 'Code of Conduct' towards our suppliers and in our supply chain is a step to establish a long term sustainable relationship with our partners, our employees and the societies in which we operate.

The Indaver Supplier Code of Conduct reflects our commitment to the principles of corporate social responsibility (CSR) as defined in the EU Commission Communication (COM/2011/0681 final) and follows internationally recognised principles and guidelines, in particular the OECD Guidelines for Multinational Enterprises, the UN's Sustainable Development Goals (SDGs), the ten principles of the United Nations Global Compact, the ISO 26000 Guidance Standard on Social Responsibility, the International Labour Organisation (ILO) Tri-partite Declaration of Principles Concerning Multinational Enterprises and Social Policy, and the United Nations Guiding Principles on Business and Human Rights.

*Our Code of Conduct is addressed to suppliers, subcontractors and business relations. For simplification purposes the term "supplier" is used for both.*

### Scope

Indaver requests its suppliers to share the principles which are expressed in the Supplier Code of Conduct. We have a strong preference for those suppliers who strive for sustainable development and who are able to demonstrate engagement and commitment to our Code of Conduct. Moreover, we invite our suppliers to translate these principles further down the supply chain.

This Supplier Code of Conduct is therefore made available to our suppliers with the goal of strengthening our mutual understanding of how sustainability should be practiced in day-to-day business.

We look forward to doing business with you!

*Paul De Bruycker,*  
CEO



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## RESPONSIBLE SUPPLY CHAIN MANAGEMENT

As a company that is active in European waste management, we bear a great responsibility for all our stakeholders and the societies in which we operate. Sustainable practices are firmly anchored in our corporate culture, based on our company values. This applies as well to our Supply Chain Management.

### Indaver's Supply Chain policy

Sustainability has been a part of Indaver's DNA since the very beginning and we have elevated it to an essential element of our business strategy. This means that our strategy and our company structure are based on the business potential derived from the global challenges of resource scarcity, climate change, urbanization, demographic change and digitalization.

A competitive, balanced and localized network for suppliers and third party intermediaries is a precondition for further growth and success of Indaver on a global scale. Therefore, both play a key role in a value chain focused on sustainability. Only in close cooperation with all stakeholders we can seize the opportunities and minimise risks associated with sustainable development.

Indaver wants to be perceived as an integral part of the national society and economy in all regions where we have activities.



Therefore we require engagement to our Code of Conduct from all our suppliers and have made sustainability a core element of our supply chain management processes. Therefore, it is our explicit objective to closely cooperate for making sustainability a fundamental part of our business relationships. This includes a clear commitment to clean business.

For Indaver this means:

- *All of our products have been safely processed or produced in such a way that they pose no threat to people, and the environment*
- *We act with integrity in business, and our behavior complies with our company's ethical principles and core values*
- *We facilitate continuous improvement and compliance with the expectations of these principles by using intelligent management systems*

You will find information about our approach to Sustainability in the supply chain, a set of commonly accepted rules and practices. It may also work as inspiration to further improve your business practices.

We are asking you to join us in putting our sustainability philosophy into practice for the benefit of the generations to come.

## Indaver's Supply Chain management

Indaver believes supply chain management plays a central role in achieving sustainability. As a waste management company offering Total Waste Management solutions to the industry and local authorities it relies on its own high-tech processing installations and a large network of reliable logistic and treatment partners across Europe. Our supply chain management is considered as an important strategic business to further support Indaver's mission and core values.

Indaver developed and designed its supply chain in such a way that it ensures the organization is supplied with the materials and resources needed for uninterrupted operations. The coordination of the entire supply chain from waste producers to safely processed waste and/or high-quality resources for customers, is a vital aspect that Indaver evaluates carefully. To serve this goal, a comprehensive set of evaluation and monitoring systems ensure that the supply chain is working according to expectations.

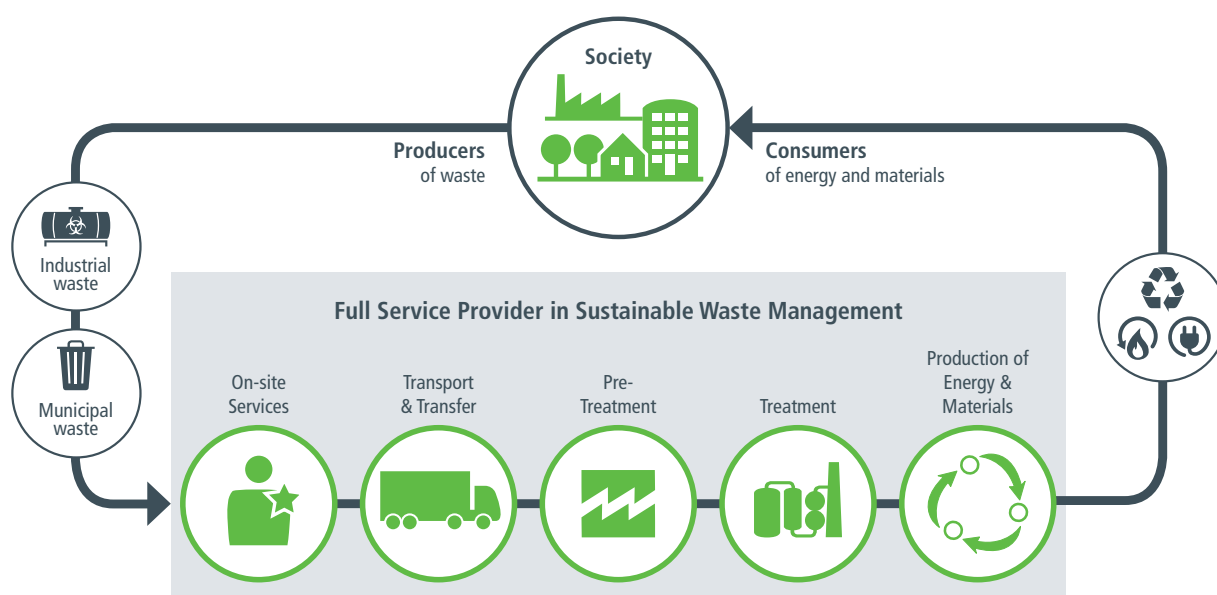


## Indaver's Supply Chain organisation

The creation of a strategic supply chain management supports the quality of our services.

As a full service provider in sustainable waste management, Indaver's value chain embodies different domains in the supply chain where risk and cost management are key.

Indaver's supply chain is visualised in the grey zone and embodies On-site Services up to Production of Energy & Materials.



### Reducing supply chain risks to a minimum

As our suppliers play a critical role in our sustainability-oriented value chain, Indaver expects them also to demonstrate their engagement to our Code of Conduct.

We value suppliers who share our commitment towards creating profitable and sustainable business practices. Indaver is reporting on its efforts on this domain in its annual Sustainability Report.

The global challenges of resource scarcity, demographic change, urbanization, climate change and digitalization are affecting and defining lives and economies throughout the world. These gamechangers are shaping our business by creating new markets and opening up valuable new opportunities. Yet they also harbor significant risks that need careful management.

*Sustainability  
requires close  
cooperation with  
our suppliers*



Only a value-based, sustainability-driven company committed to living its principles can minimise these risks and master these challenges. That is why Indaver organized its supply chain operations in such a way that risks along the supply chain are reduced to an absolute minimum.

Within our supply chain, there are 4 domains. In Indaver's annual Sustainability Report more facts and figures regarding our procurement activities are published.

## Type of sourced services

There are 4 large service domains for which Indaver needs sourcing. For those a responsible and sustainable procurement is needed.

We invite all our suppliers to respect our Sustainable Procurement Charter and to join us in our Code of Conduct.

1. Logistics/Transport (Waste)
2. Third party offering (pre-)treatment of waste (Waste)
3. Projects (Non waste)
4. Commodity Products & Services (Non waste)

### Logistics/Transport

All transport executed related to customer's waste belong to this service domain.

These are either realized by our own transport services and additionally sourced with third party hauliers. These are selected and sourced by our Supply Chain (Logistics) departments specialized in hazardous (ADR/IMDG) and non-hazardous waste.

### Third party waste treatment centres

As a European service provider in Total Waste Management, Indaver can rely on a large portfolio of inhouse specialised treatment installations. Additionally, Indaver works with reliable subcontractors, carefully selected by our Waste Flow department. It is their core business to closely screen the European market for the Best Available Techniques. They select reliable suppliers and assess them on a continuous basis in order to process waste streams for our customers.

It is our Waste Flow department, which is part of the Sales&Marketing department, that is responsible for the procurement of these suppliers. They are supported in their assessment by the Quality, Safety, Health & Environment department of the region involved.





## Projects

All sourcing related to large investments projects such as new installations, are the responsibility of our Procurement department.

An extensive and very detailed tender process is followed. Indaver works with contractors specialized in the technology needed to realize the project.

## Commodity Products & Services

Indaver works with a portfolio of reliable, expert suppliers across Europe, covering commodity products and services such as raw materials, maintenance & shutdown services, spare & wear parts, lab services, logistics (transport for customers not included), IT and telecoms, general administration and professional services.



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## SUSTAINABLE PROCUREMENT

Ethical practices in business require a transparent and prudent procurement. A strategically managed purchasing process is organised in such a way that issues having the potential to injure the company's reputation, its operations, regulatory bodies and customer services have no or minimum impact on the organization.

### Indaver's Sustainable Procurement policy

Sustainable procurement is an important element in delivering the Indaver mission and core values.

In our Sustainable Procurement policy Indaver explains how we will work with suppliers to ensure that our supply chains share our values.

The policy is an integral part of our procurement processes. It will drive for transparency, adherence to laws, regulations, minimum standards and continuous improvement. Our purchasing activities are conducted in accordance with the highest ethical and professional standards, as set out in our Code of Conduct.

It will ensure that Indaver procures its raw materials, goods and services in a responsible way in line with our core values.

Sustainable procurement will be given systematic consideration alongside factors such as price and quality. We encourage our suppliers to work with us and to improve continuously with respect to this policy.

Indaver's sustainable procurement is established to promote continuous improvements in Indaver's supply chain and not to terminate valued supplier relations. Some suppliers may be already in a better position in having implemented good business practices but what is important to us is that our suppliers show engagement towards embedding the main principles of the Code into their own operations and across their supply chain.

Indaver invites its suppliers to abide by all local applicable laws and regulations and to have systems in place that prove they are doing so. In addition, Indaver asks its suppliers to adhere to the specific requirements of the policy and to apply these expectations in dealings within their respective supply chains.

### What we do

- *Indaver will seek to include local suppliers in our procurement processes, in order to support local economy.*
- *Indaver may take a specific position on supplies from particular global regions on the basis of ethical concerns.*
- *Indaver asks its suppliers to be open and to collaborate with Indaver to further improve responsible practices in the principles of the Policy.*

### Your role as a supplier

- *Suppliers ensure that they always comply with the most demanding requirements, whether relevant applicable laws or the Policy.*
- *Suppliers staff working on Indaver sites will abide by all relevant laws, regulations and standards and additionally comply with the requirements of the Policy.*
- *Suppliers can expect Indaver to carry out our business following these principles too. If any supplier suspects that this is not so, we have a 'whistle blower' process to report this.*



## Sustainable Procurement management

To minimise the risks within Indaver's supply chain, Indaver developed a sustainable procurement management and translated this approach into its own organisation on the one hand and to its suppliers via a Code of Conduct for Suppliers.

Indaver recognizes that there are differences in the supplier base in terms of their scale, scope and operations. Indaver will take into account that compliance with the principles of our Code of Conduct for Suppliers may result in different practices across its range of suppliers.

The Sustainable Procurement policy is designed to work for the whole supplier base, although aspects of meetings, discussions and review sessions will vary both in terms of timing and areas of focus. In covering our entire supplier base, the policy will be implemented in such a way to maximise our impact on improving sustainability issues.

Suppliers can be evaluated by using the 'Supplier Evaluation form'. Because of the different domains, the evaluation by the related procurement department, can have different attention areas and be customized.

Suppliers are rated according to the procurement category they belong to, based on performance, price, partnership, etc.

We will work with suppliers to identify issues that do not match our expectations and help to support and collaborate with suppliers in addressing any gaps identified. We will disengage from suppliers that do not meet the requirements of the policy and who cannot commit to an improvement programme.

Indaver will report in its annual Sustainability Report on its vision, actions and performances regarding responsible procurement.

### Periodical review of our Policies

We will periodically review the policy to ensure that it continues to meet our corporate social responsibility targets.

Changes to our Sustainable Procurement Charter and Code of Conduct will be communicated effectively to suppliers.

With every signed contract and/or placed order, our suppliers are required to be compliant with our Code of Conduct.



Our Responsible Procurement policy has the following principles which are detailed in our Code of Conduct for Suppliers.

- **Health & Safety** – we expect our suppliers to adopt management practices in respect of Health & Safety which provide a high level of safeguarding for their workers.
- **Fair Business Practices** – we expect our suppliers to adopt the principles of Indaver's Code of Conduct, outlining the ethical standards and fair business practices by which we conduct business.
- **Environmental Protection** – we expect our suppliers to maintain effective policies, processes and procedures to manage their environmental impact.
- **Human Rights** – we expect our suppliers to develop and implement policies and procedures to ensure all human rights in their business and to encourage their suppliers to do likewise.
- **Local Community** – we expect our suppliers to contribute to the social, economic and institutional development of the communities in which they operate.

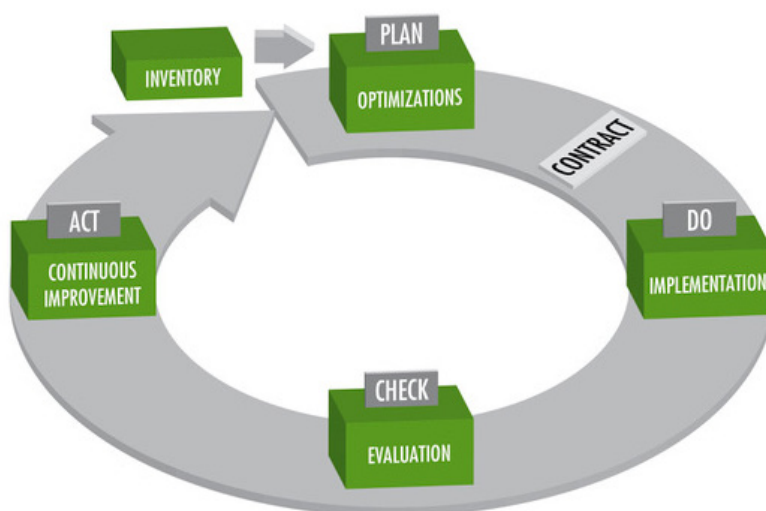
## Performance Steering

Indaver conducts different types of evaluation based on the type of procured services to continuously improve its partnership.

A dynamic approach is essential when dealing with supplier contracts.

As a waste management partner we want to offer our customers the best service during the complete duration of a contract.

That is why Indaver uses its PLAN-DO-CHECK-ACT approach for structural KPI assessments, continuous improvement and follow-up with its suppliers.





Our suppliers may demonstrate their commitment to these principles through compliance with their own Code of Conduct or Company Policies that embrace these standards.

However, Indaver may ask to verify the supplier's compliance with Corporate Social Responsibility (CSR) principles by any of the following methods and to take corrective action if there is a reason for concern:

- **Third-Party Assessments:** *We may solicit desk-top information from a third party, e.g. a data provider, on your compliance and performance with regard to CSR principles standards.*
- **Certifications/Statements:** *We may ask you for a certification or statement confirming compliance with CSR principles.*
- **On-Site Audits:** *We or an authorized third party acting on our behalf may contact you and ask for permission to verify compliance with CSR principles on site.*

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## Sustainable Procurement organisation

### Our objectives

Competitive procurement leads to high-quality and cost-efficient Total Waste Management and specialized services for our customers.

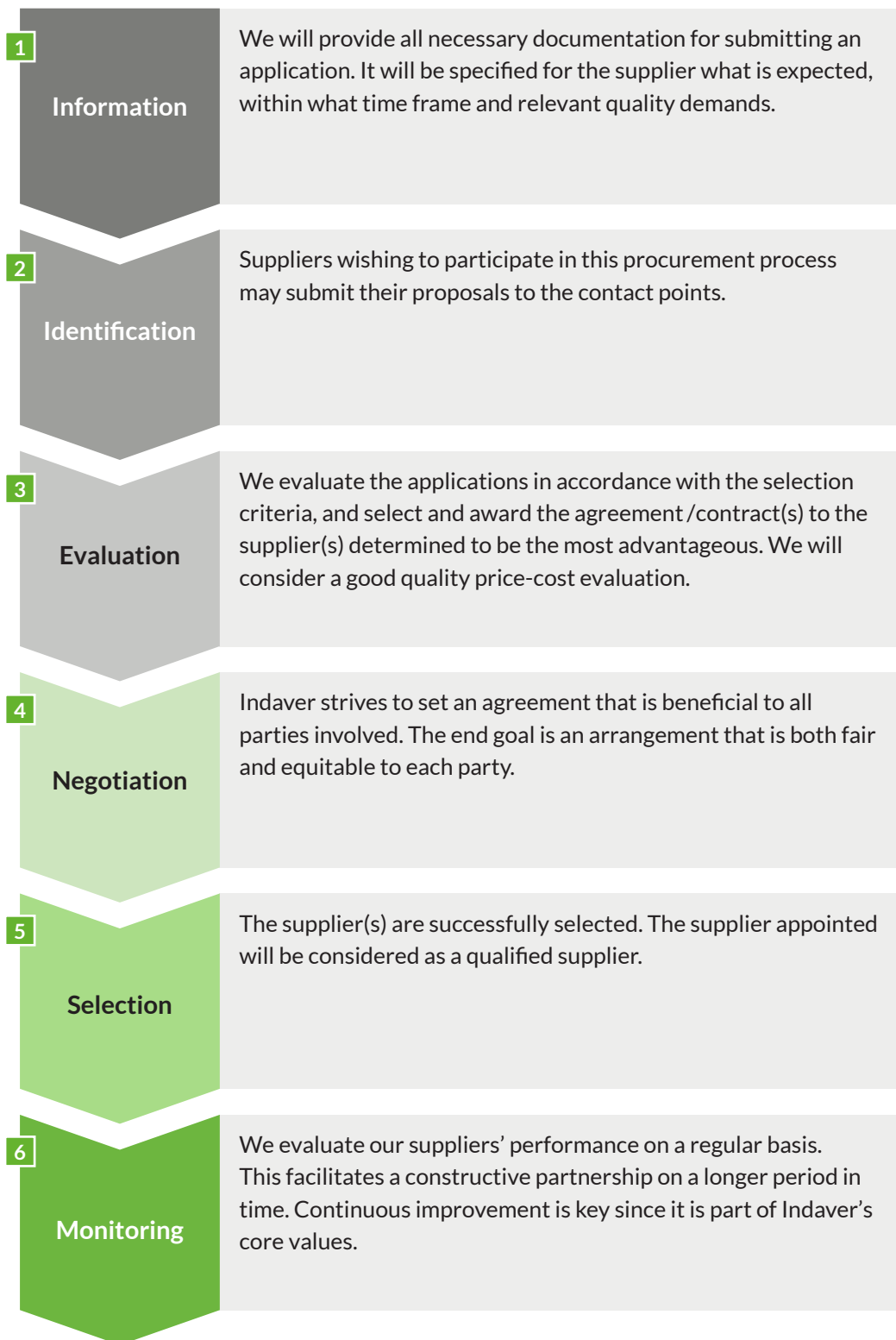
In our aim to strengthen our competitiveness as the Indaver group and to meet the demands of today's rapidly advancing waste management and material/energy recovery fields, we are making every effort to increase management efficiency to provide superior services to our customers. To realize this goal, we adopt an open, competitive approach to procurement that leads to the economical purchase of highly competitive premium-quality products and services.

### Our procurement process

The different stages of the purchasing process are:

1. *Understanding the business need (what)*
2. *Identifying the preferred suppliers (who)*
3. *Evaluating (technical and commercial) the proposals (how)*
4. *Negotiating a win-win agreement with the preferred supplier*
5. *Final selection: consent of both parties on the agreement*
6. *Performance steering: monitoring the performance of the contract and supplier*





## Our procurement team

Our Procurement team, which consists of the Sourcing, Supply Chain and Waste Flow department are responsible for managing the majority of the company's external spend. Our entire procurement team is organised into key areas of expertise, with regional and group responsibilities.

Our suppliers are critical partners for our business. That is why we believe collaboration and innovation throughout our supply chain are essential in advancing our sustainable growth.

We want to inspire and drive sustainable change with those we work with, as well as through our own organization – so we have embedded sustainability into our procurement processes and supplier relationships.

### Where to find Indaver's Code of Conduct?

- *On our Website*
- *On our Supplier Zone*
- *In the annexed Purchasing Conditions of your Contract/Order*

