

Date: Thursday, October 10, 2024

Sustainable Procurement Policy

1. Purpose

This policy outlines Powerbox's commitment to sustainable procurement practices, emphasizing environmental, social, and governance (ESG) considerations. We aim to ensure that all suppliers and materials we procure align with our core values of sustainability, transparency, and ethical responsibility.

2. Scope

This policy applies to all procurement processes within Powerbox, including the sourcing of raw materials, components, products, and services across our entire supply chain. The policy focuses on the environment, ethical labor practices, and the sourcing of minerals.

3. Commitments and Objectives

To ensure a sustainable and ethical supply chain, we make the following qualitative commitments:

- Environmental Stewardship:

Align with the Cosel SBTi program, we are committed to minimizing the environmental impact of our procurement activities by 1) prioritizing suppliers that can report GHG emissions and actively reduce their environmental footprint and 2) promoting recycled content in our products.

-Ethical Sourcing and Human Rights:

We uphold the highest standards of human rights in our supply chain. We require all suppliers to adhere to international human right laws, including prohibitions on child labour, forced labour, and exploitation.

- Responsible Minerals Sourcing

We collaborate closely with suppliers to secure the use of conformant smelters certified by recognized bodies such as the Responsible Minerals Initiative (RMI) for tin, tungsten, tantalum, gold (3TG), and other minerals (i.e., cobalt and mica), ensuring that minerals do not contribute to conflict or human rights abuses.

4. Actions

Build capacity and traceable procurement practices including:

- Equipping our procurement teams and suppliers with the knowledge to support sustainable practices.
- Committing to transparency in minerals sourcing, establishing, and maintaining both company-level and product-level CMRT, and continuously expanding our traceability system to monitor the procurement, ensuring they meet sustainability criteria.

Work with our suppliers to promote sustainability in our value chains, including:

- Requiring suppliers to sign our PRBX Supplier Handbook as a part of their contractual obligation to Powerbox.
- Implementing a supplier audit program that includes regular reviews of supplier facilities, with a focus on compliance with human rights, environmental, and ethical standards.
- Conducting supplier risk assessments every third year or when needed to identify environmental, social, and governance risks within our supply chain. Suppliers identified as high-risk will undergo additional due diligence and corrective action plans.
- Developing an escalation procedure for non-compliance, which may include termination of contracts or partnerships with non-compliant suppliers.
- Working with suppliers to encourage the reuse and recycling of materials and achieve the annual target for our products to contain recycled or renewable materials.

5. Policy Review

This policy will be reviewed every four years or when required by the Management team and updated as necessary to align with emerging best practices and regulatory developments.

POWERBOX INTERNATIONAL AB



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