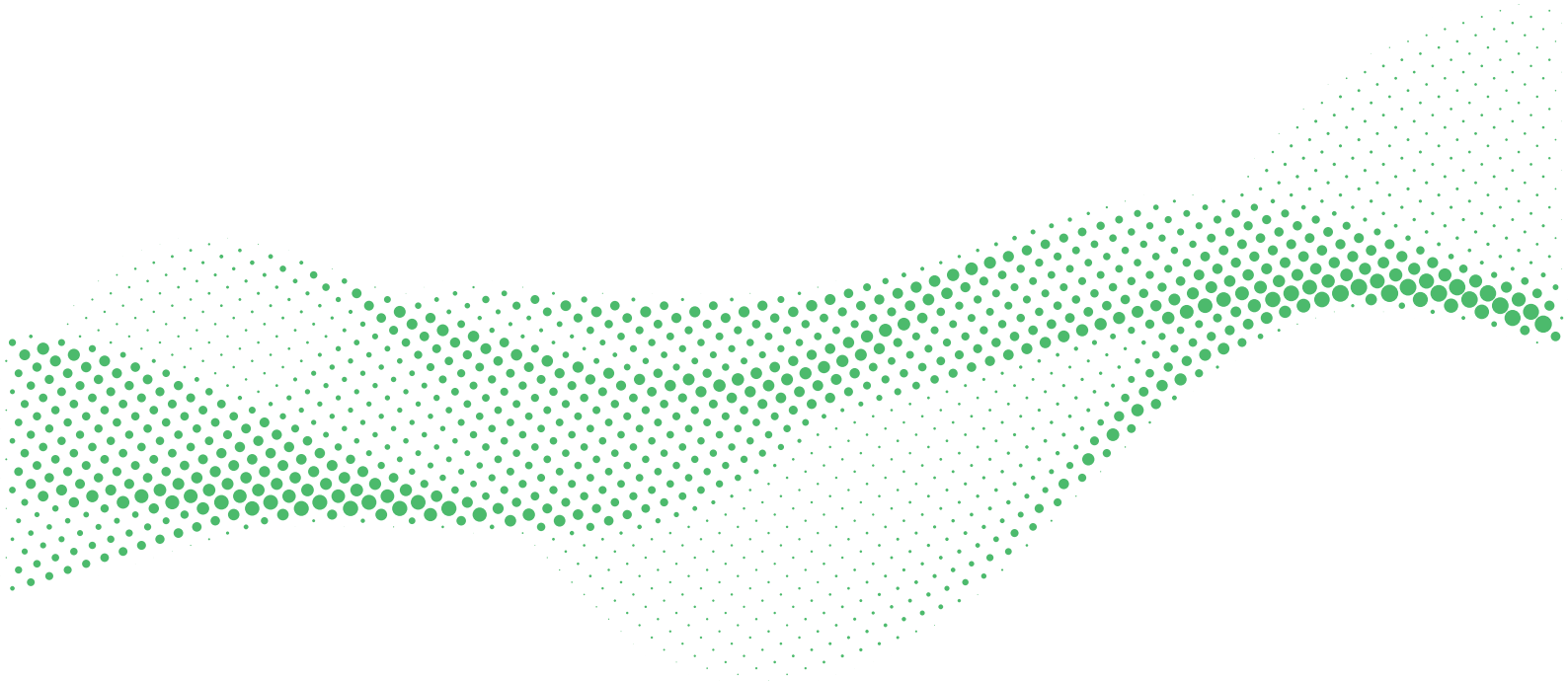


Salt Mobile SA

Responsible Procurement Policy



Salt.

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Purpose

The Salt Responsible Procurement Policy (“this Policy”) illustrates how we shall integrate our Values and the commitments set in our Social Responsibility and Sustainability Policy into our procurement processes, in order to attain best value for money in the acquisition of goods and services for Salt in a manner that is environmentally, ethically, socially and economically responsible.

The decisions that we take and the activities that we perform in our procurement processes shall be undertaken within a clear governance mechanism and guided by the below commitments that are defined more in details in our Social Responsibility and Sustainability Policy:

Environmental sustainability: by sourcing and procuring goods and services in a way that minimises our direct and indirect impacts on the environment and biodiversity, throughout their lifecycle.

Ethical sourcing: by exercising a risk-based due diligence with regards to human rights and labour practices adverse impacts.

Governance: by promoting and applying fair operating practices, addressing consumer issues and contributing to the fight against corruption, bribery and violence.

Scope

The terms “we”, “our” or “Salt” are used throughout this Policy to cover all of the below entities:

- Salt Mobile SA (Salt)
- Salt (Liechtenstein) AG
- Salt Services SA (Portugal)

Salt Commitments to Responsible Procurement

At Salt, we acknowledge that as a business enterprise we have the responsibility to respect human rights and the environment wherever we operate and that it is our duty to support the elimination of corruption and financial crime, both of which are major obstacles to sustainable development.

To this effect, we commit to conduct our procurement activities in strict compliance with applicable laws and under the umbrella of the Universal Declaration of Human Rights, the OECD Anti-Bribery Convention, the International Labour Organisation Conventions and in particular the Conventions n° 138 and 182 with regards to the ban on child labour and forced or compulsory labour) and other internationally recognised human rights standards such as the UN Guiding Principles on Business and Human Rights.

We also commit to maintain policies and procedures designed to ensure compliance on a continuous manner with applicable economic sanctions and export control laws and regulations.

In an ever-globalised world where supply chains play a major role to profitable business, ethical business can only be reached through active involvement of all actors along the supply chain; thanks to our position in the supply chain as a downstream company, we believe that we are able to make a positive difference and commit to cease, prevent, mitigate adverse impacts on social responsibility and sustainability issues or exercise our influence against those adverse impacts.

Integration into the Salt Governance System

This Policy is aligned and shall be read in conjunction with other Salt policies and regulations such as the Salt Social Responsibility and Sustainability Policy, the Salt Code of Ethics, the Salt Signature Policy, the Salt Risk Policy, the Salt Supplier Code of Conduct.

Responsibilities

As the highest managerial organ of the company, the Salt Mobile SA Board of Directors issues the required directives and sets the overall strategies for the company; in the performance of these duties, it has adopted the Salt Social Responsibility and Sustainability Policy that lays down Salt Environment Social and Governance (hereinafter ESG) commitments.

With this Policy, Salt Management Board ensures the integration of these ESG commitments into our supply chain; Salt Management Board's decisions and actions related to the supply chain shall be governed by the principles of this Policy.

The Procurement Manager is responsible to elaborate the processes and methods to integrate our commitments from our Social Responsibility and Sustainability Policy into our procurement activities. The Procurement Manager must develop a structured procurement approach in favour of environmental and social causes, ensure Supplier selection and evaluation include social responsibility and sustainability criteria and alert the Management Board in case of a major deviation to the processes or a critical negative risk assessment.

The Procurement Manager shall build awareness to this Policy with all persons involved in the procurement activities at Salt.

Supplier Selection and Evaluation Process

Suppliers shall be identified and selected beyond the traditional criteria of costs, quality and product, and Salt uses different instruments and relevant methods in order to assess the ethical, social and environmental performances and commitments from its potential and actual suppliers.

Strategic suppliers in particular shall be selected and monitored through a risk-based due diligence process. Supplier selection shall be performed with integrity and objectiveness and always in line with the Salt Code of Ethics.

Due Diligence

Principle

Sustainability risk assessment related to procurement activities is embedded into Salt's risk management system and is an integral and fundamental part of business-decision making, with the aim to identify the actual and potential adverse human rights impacts of procurement decisions and activities, including exclusion criteria that may be applied to a supplier or contract.

In case we have founded suspicions of a material adverse impact in our supply chain, we conduct due diligence assessments according to the UN Guiding Principles on Business and Human Rights (UNGPs). We will stay updated and aware of early risk warnings issues by proactively informing ourselves through relevant canals (industry grievance mechanisms – including our own, notation platforms, independent media, NGOs, etc.)

We shall perform our risk assessments and complete the respective mitigation measures based on an array of different instruments and feedbacks from internal and external stakeholders, including:

- Information from NGOs, government or society;
- Independent media;
- Guarantees from our suppliers and third-parties along our supply chain;
- Application of recognised norms and certification standards.
- Audits and third-party On-site controls

Human Rights and Child Labour Due Diligence

Human rights are rights inherent to all human beings, without discrimination. They are fundamental human rights to be universally protected and are internationally recognised through the 1948 Universal Declaration of Human Rights.

The Convention on the Rights of the Child prohibits child labour¹ ; it is the most widely ratified human rights treaty in history², yet child labour is prevalent in many parts of the world, especially in the poorer and conflict-affected regions.

Child labour is often invisible, as it happens mainly in the higher tier of the supply chain. Key risks of child labour for the ICT sector – to which Salt belongs- have however been identified³ at all levels of the supply chain; child labour due diligence and response is thus an important part of our supplier sustainability evaluations.

We conduct our child labour due diligence according to the 6-step iterative process recommended by the United Nations Global compact, the world's largest corporate sustainability initiative; the described due diligence steps are aligned with the UN Guiding Principles on Business and Human Rights (UNGPs).

Supplier Code of Conduct

At Salt, we want to work with suppliers that share the same vision and values. We require them to engage into commitments with regards to:

- Human Rights
- Labour Practices
- Environment
- Ethical Business Practices
- Community Development
- Confidentiality, Data Protection and Intellectual Property

Through a regular evaluation process, we shall ensure that suppliers are duly evaluated against the requirements of our Supplier Code of Conduct. When necessary, we may require evidence of compliancy and may conduct a visit or perform an audit at a supplier's premises. In case a non-compliancy is discovered, we will support our supplier to find the most adequate remediation measure; however, we are ready to apply more stringent measures, including termination of the contractual relationship, in case a supplier shows unwillingness to collaborate.

1 - In line with applicable law, Salt defines child labour as the work of persons under the age of 18 that qualifies as one of the worst forms of child labour, according to ILO Convention no. 182 (among others, child slavery and work involving children in illegal or potentially harmful activities). In addition, in countries that have ratified and implemented ILO Convention no. 138, any form of child labour prohibited under local law qualifies as child labour. In countries that have not ratified ILO Convention no. 138, any work performed by children under the age of 15 or who are in compulsory education, and any work performed by persons under the age of 18 that is likely to be dangerous to the life, health, or morals of juveniles, is also considered to be child labour

2 - <https://www.unicef.org/child-rights-convention>

3 - <https://www.childrightsatlas.org/industry-analysis/ict/key-risks>

Transparency and Traceability

We shall create and increase transparency in our procurement decisions and activities that affect sustainability and encourage our suppliers to be transparent. We acknowledge that transparency is the basis for stakeholder dialogue and collaboration.

To this end, we will work towards a transparent, comprehensive and clear reporting, in particular with regards to the adequacy of the risk mitigation measures that we put in place, the progress on our goal achievement, and the results of our monitoring mechanisms.

We strive to enhance the traceability of the goods and services we procure, especially in case of a founded suspicion of a material adverse impact in our supply chain.

Moreover, we will work to continuously increase our knowledge of the direct and indirect impacts of our sourcing activities and use this data to steer our procurement decisions in the right direction.

Our Supplier Code of Conduct also includes an obligation for our business partners to support us towards our efforts to increase transparency and traceability of products or services.

Training and Awareness

This Policy is actively communicated to all staff involved in the acquisition of goods and services and to all our significant suppliers.

We ensure that the principles for responsible procurement contained in this Policy are understood and adopted by providing training programs and support to relevant internal and external partners. We encourage all stakeholders to submit their feedbacks and comments on this Policy to Procurement@salt.ch.

Grievance Mechanism

We make sure that any stakeholder may safely and in full confidentiality communicate their grievance and report any breach to this Policy to the Salt Ethics Advisor at whistleblowing@salt.ch. After an issue has been reported, we will work quickly to address it.