



Sustainable Procurement Policy

1. Purpose

Tesla Stropkov, a.s. recognizes the importance of responsible procurement in achieving long-term business sustainability, minimizing environmental impacts, and upholding social and ethical standards across our supply chain. This policy outlines our commitment to integrating sustainability criteria into all procurement activities and supplier relationships.

2. Scope

This policy applies to:

- All suppliers, contractors, and subcontractors engaged with Tesla Stropkov, a.s.
 - All goods, materials, and services purchased for use in production, operations, and business functions.
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3. Policy Commitments

Tesla Stropkov, a.s. will:

- Incorporate sustainability criteria (environmental, social, and ethical) in procurement decisions alongside cost, quality, and delivery.
 - Require all suppliers to comply with our **Supplier Code of Conduct**.
 - Support suppliers in building capacity to meet sustainability requirements.
 - Promote circular economy principles by encouraging reuse, recycling, and material efficiency.
 - Favor suppliers who demonstrate strong environmental and social responsibility performance.
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4. Qualitative Objectives

1. **Supplier Code of Conduct Compliance** – Ensure all suppliers sign and adhere to Tesla Stropkov's Code of Conduct covering ethics, labor standards, human rights, environment, and anti-corruption.
2. **Ethical Business Practices** – Eliminate corruption, forced labor, child labor, and discrimination across our supply chain.
3. **Environmental Stewardship** – Prioritize suppliers who minimize carbon footprint, reduce waste, conserve resources, and use renewable energy.

4. **Fair Supply Chain Engagement** – Foster long-term supplier partnerships built on transparency, accountability, and continuous improvement.
 5. **Capacity Building** – Provide guidance and training to suppliers to strengthen their sustainability performance.
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5. Quantitative Targets

- **By 2025:**
 - o Ensure **100% of new suppliers** sign Tesla Stropkov's Supplier Code of Conduct prior to onboarding.
 - o Conduct **sustainability risk assessments** for **100% of critical suppliers** (defined by spend, volume, or strategic importance).
 - **By 2026:**
 - o At least **75% of total procurement spend** covered by suppliers who demonstrate compliance with our sustainability criteria (environment, labor, ethics).
 - o Reduce **paper consumption in procurement processes by 50%** through digitalization.
 - **By 2027:**
 - o Achieve **100% of suppliers under long-term contracts** audited or self-assessed against sustainability requirements.
 - o Ensure **70% of Tier 1 suppliers** set their own measurable sustainability targets aligned with SDGs or equivalent frameworks.
 - **Annually:**
 - o Train **100% of procurement employees** on sustainable procurement principles.
 - o Publish a summary of progress in the company's **Sustainability Report**.
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6. Implementation & Monitoring

- The **Head of Procurement** is responsible for ensuring adherence to this policy.
 - Compliance will be monitored through supplier questionnaires, audits, and performance reviews.
 - Results and progress will be reported annually to senior management and communicated publicly where appropriate.
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7. Communication

This policy will be:

- Shared with all suppliers and contractors.

- Integrated into procurement processes, contracts, and supplier evaluations.
- Published on Tesla Stropkov, a.s. website.