

## Supplier Sustainability Policy

Sustainability is part of Tesla Magnetics strategy and interest of the company to promote sustainable management internally and externally. Suppliers, as a pillar in the supply chain, have an enormous influence in our progress towards Sustainability.

Tesla Magnetics wants to foster sustainable behaviour and reward those suppliers that excel in this field. For this reason, in addition to our Manufacturing Policy and Code of Ethics to ensure integrity, transparency and equal treatment of suppliers, Tesla Magnetics publishes this Sustainability Policy which will apply to all our staff and for any supplier or contractor who works with the Company.

- Promote awareness of initiatives and sustainable behavior in the supply chain through periodic communications to suppliers and employees
- Train in Sustainability professionals who manage the supply chain to encourage these attitudes in all actors involved in the supply chain.
- Ontinuously research the market to promote the integration of products and / or services with sustainable specifications, for example, products that help us reduce our carbon footprint and CO2 emissions and hazardous material.
- Enable a channel of communication with suppliers to identify sustainable initiatives in the business application as well as a portal to propose suggestions, opportunities for improvement and complaints of unsustainable behaviours.
- Reject and / or report any practices detected in the value chain to the detriment of sustainable management in any of its aspects (environmental, social or economic)
- Develop an awareness campaign with the aim of improving sustainable management, as instance, the "Zero Accidents".
- Establish a methodology to measure the performance of suppliers in relation to social and environmental aspects of the supply chain.
- Reward those partners that reach a level of excellence in the sustainable management or that significantly strive to improve their management in



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these areas. Under the same technical and economic conditions, our commitment to hire those companies that have excelled in sustainable management.

In this sense, Tesla Magnetics will regularly evaluate suppliers making use of SUSTAINABILITY QUESTIONNAIRE.

Based on the results obtained from the survey, suppliers will obtain a score that eventually will qualify them as Operating, Operating with the environment, cooperating with the environment or ECO operating with the environment.

Tesla Magnetics, with the implementation of this policy seeks the assurance of a sustainable supply chain through time and responsible with society and the environment.



Tesla Magnetics reserves the right to request from the supplier reliable accreditation to any of the answers recorded by him in the QUESTIONNAIRE.