

Sustainability Policy for Suppliers

GHSA-POL-10

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1 Introduction

HispaSat is committed to contributing to sustainable development through technology and the operation of space services. To this end, Hispasat recognises the importance of its supply chain in achieving its objectives, both due to its international presence and the impact and volume it represents in terms of turnover. For this reason, this document sets out the basic principles of conduct regarding ethical, social and environmental behaviour that Hispasat expects from all its suppliers, which are aligned with the ten principles of the Global Compact.

This Policy originates from and is derived from HispaSat's Sustainability Policy, which sets out the basic principles and general framework for the company's relations with its various stakeholders, and more specifically HispaSat's commitment to integrating the principles of responsibility and sustainability into the management of its supply chain.

HispaSat's Sustainability Policy for Suppliers (hereinafter 'the Policy') is based on the following international conventions and commitments:

- The United Nations Universal Declaration of Human Rights.
- United Nations Guiding Principles on Business and Human Rights.
- Fundamental Conventions of the International Labour Organization (ILO).
- The United Nations Convention on the Rights of the Child.
- The Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

2 Objectives and scope

This Policy forms part of HispaSat's commitment to ethical conduct, as already set out in the Code of Ethics and Conduct and in other Corporate Policies. It is based on a strategic vision for the effective integration of environmental, social and governance (ESG) issues into the company's decision-making process, the development of its products and services, and its relationships with the company's key stakeholders.

This Policy applies to, and is binding upon, all companies within the HispaSat group on a global scale. HispaSat reserves the right to request policies, procedures or any other supporting documentation from suppliers to ensure compliance with these principles and undertakes to tailor such reporting and documentation requirements to the size and relative importance of the supplier in relation to the fulfilment of HispaSat's ESG objectives. The company may also require an audit to be carried out, if it deems it appropriate or if requested by its end customers.

Any individual, company or organization wishing to be considered as a supplier to HispaSat is expected to undertake to comply with the basic principles of conduct and to pass these on to its own subcontractors. HispaSat will periodically review the basic principles of conduct and carry out ad hoc reviews where necessary.

3 Basic Principles of Conduct for Suppliers and Partners

In order to fulfil its commitment to sustainable management throughout the value chain, HispaSat expects its suppliers and partners to comply with the following basic principles of conduct:

Principle of respect for legislation, ethics and compliance

HispaSat requires all suppliers to comply at all times with applicable legislation, whether international, national or local. Where HispaSat's minimum standard (as set out in this Policy or in its internal regulations) exceeds the requirements of applicable legislation, this minimum standard shall apply.

Principle of respect for legislation, ethics and compliance

Human Rights

HispaSat expects its suppliers to work to support and respect the protection of human rights in accordance with the United Nations Universal Declaration of Human Rights, the Fundamental Conventions of the International Labour Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights. This means that suppliers must:

- Prohibit forced labour and the mistreatment of their employees. This includes the prohibition of any form of human trafficking.
- Ensure that there is no child labour.
- Pay a living wage sufficient to meet their employees' basic needs and ensure compliance with the regulations in force in the countries where they operate.
- Ensure that working hours are not excessive and that the maximum working day complies with national legislation.
- Respect their employees' freedom of association.

HispaSat expects the supplier to have a defined policy and process in place to ensure that, nowhere in its supply chain or within its own business, labour is carried out under conditions of slavery or where human trafficking occurs. At HispaSat's request, suppliers shall report on the measures they have taken to ensure that their operations and supply chain are free from slavery and human trafficking, as well as on the progress of such measures.

Health and Safety

The supplier must provide a working environment that guarantees respect for the health, safety and wellbeing of its employees, taking into account local, national and international standards and in accordance with the specific hazards and risks of each activity.

Appropriate measures must be taken to prevent injuries and accidents related to or occurring in the course of work, minimizing the causes of hazards inherent in the work and the working environment.

Diversity, Inclusion and Non-Discrimination

The supplier must undertake to treat all its employees fairly and ensure that there is no discrimination of any kind on the grounds of race, gender, age, language, religion, disability, sexual orientation, opinion, origin, economic status, birth, trade union membership or any other personal or social condition or circumstance.

The supplier shall promote diversity and equal opportunities through measures that encourage a healthy work-life balance and the integration of groups at risk of exclusion, ensuring equal opportunities amongst its employees.

Conflict minerals

The supplier undertakes to use appropriate measures and exercise due diligence to identify whether the products, components, parts or materials supplied contain minerals (tin, tantalum, gold and tungsten) sourced from conflict-affected regions.

Principles of environmental protection

Environmental legislation

HispaSat is strongly committed to protecting the environment and the transition to a low-carbon economy, and works actively to minimize the environmental impact of its value chain. To this end, the supplier must at all times act in compliance with international, national or local environmental legislation, particularly regarding emissions, energy, waste, resource consumption and hazardous substances.

Environmental Policy and Environmental Management

Where required by HispaSat, the supplier must have a documented and up-to-date environmental policy that includes a commitment to protecting the environment and biodiversity, complying with applicable laws, and continuous improvement.

The supplier shall endeavor to have, or be in the process of establishing, a documented environmental management system that ensures effective planning, implementation and control of the most relevant environmental aspects of its activities.

Climate Change

Where required by HispaSat, the supplier shall take measures to minimize the impact on climate change arising from its activities, taking into account the entire value chain in this analysis (Scopes 1, 2 and 3 of its greenhouse gas emissions). Wherever possible, it shall work to reduce its greenhouse gas emissions, setting reduction targets for this purpose which should, where possible, be science-based. Furthermore, the supplier shall respond to requests from HispaSat for information on greenhouse gas emissions and energy consumption relating to the products and services it provides to HispaSat.

The supplier shall endeavor to apply the precautionary principle, so as to minimize the potential environmental impact arising from its activities. To this end, it shall take into account the entire life cycle, always avoiding environmental pollution.

The supplier shall, as far as possible and within the context of its commercial relationship with HispaSat, offer products and services based on eco-design practices, taking into account, amongst other factors, energy consumption and the use of less polluting materials.

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Single-use plastics

Wherever possible, the supplier shall endeavor to reduce the use of single-use plastics in its supplies to HispaSat and in its internal operations.

Hazardous substances and products

The supplier must comply with all laws, regulations and requirements concerning the prohibition or restriction of specific substances. Hazardous chemicals and other materials contained in products – particularly those included in the list of Substances of Very High Concern under the REACH Regulation – must be identified and managed to ensure their safe use, recycling, reuse or disposal. Their use must be avoided, and where this is not possible, reduced to a minimum, whilst always complying with the provisions of the said Regulation. The supplier is obliged to supply electrical or electronic equipment in accordance with all relevant European Union standards, such as, but not limited to, RoHS and REACH, regardless of the country of use, including non-European countries. In specific cases where HispaSat so requires, the supplier must sign the environmental declaration for electrical or electronic equipment, expressly stating compliance with the aforementioned regulations or, where applicable, the equivalent regulations in force in the territory in question.

4 Channels for enquiries and reporting concerns

The HispaSat Group's Ethics and Compliance Channel ([Hispasat](#)) is available to HispaSat's professionals and collaborators (including suppliers and their employees) as a confidential channel for raising any queries regarding the interpretation or application of the Code of Ethics and Conduct and its implementing regulations, as well as for the mandatory reporting of any unlawful behaviour or any irregularities or breaches detected in relation to said Code and regulations.

All communications received through this channel are handled in accordance with the principles of impartiality, confidentiality and independence, with full respect for the rights and safeguards throughout the process, both in the analysis and verification of the communications received and in the resolution and, where appropriate, the adoption of corrective measures. The supplier must inform HispaSat, as soon as possible, if it becomes aware of any breach on its part of the obligations imposed by this Policy in its own operations, or within its supply chain (including subcontractors).

5 Implementation and monitoring

The monitoring and oversight of the objectives and principles set out in this policy are the responsibility of the Audit Committee, which shall report its findings to the Board of Directors.

The Sustainability department will be responsible for managing sustainability due diligence with suppliers, in collaboration with the relevant corporate departments, and for promoting, coordinating, measuring and reporting – at both global and local levels – on the development and implementation of this Policy.

HispaSat undertakes to maintain a transparent framework for managing the Supplier Sustainability Policy and to disclose both the framework and its performance in the public information it provides.

6 Relationship with other policies

HispaSat has a set of standards designed not only to comply with applicable regulations, but also to incorporate national and international best practices and recommendations on sustainability. As such, this Policy is complemented by HispaSat's other internal regulations, in particular:

- Code of Ethics and Conduct.
- Sustainability Policy.
- Environmental and Energy Policy.
- Human Rights Policy.
- Integrated Management Policy.
- Donations and Sponsorship Guidelines.
- Information Security Policy for Suppliers.
- General Data Protection Policy.
- Criminal Compliance System Manual.
- Anti-Corruption Policy.
- Risk Management Policy
- Human Resources Policies: Equality Plans, Protocol for the Prevention of and Response to Harassment, amongst others.
- Tax Policy.

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