
RESPONSIBLE PROCUREMENTS CHARTER

Nhood Global
May 2025

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FOREWORD



Nhood, a mixed-use real estate operator, is a player in urban real estate regeneration with a triple positive impact: societal, environmental and economic (People, Planet, Profit).

Its expertise covers the development, operation and marketing of mixed-use sites, asset management, development and promotion, in the service of a more resilient, ecological vision of the city, with a strong mix of local functions and uses (local shops, short-distance circuits, housing, offices, transitional urban planning and third places).



Driven by its raison d'être - to make places better - Nhood has written its ESG (Environment, Social, Governance) strategy, Nhooders Impact Generation, which aims to make Nhood a company that generates global impact, regenerating places for our customers, with an ethical approach, at the service of future generations,

Aware of the weight represented by the purchase of goods and services in our overall carbon footprint (86% in 2024), engaging in in-depth dialogue with our business partners is a key lever. By raising awareness of sustainable practices, supporting change and including mandatory criteria in calls for tender, we aim to have 100% of our suppliers sign up to our approach by 2030.

This commitment on the part of our partners begins with our Responsible Procurements Charter, which sets out the main principles to be respected by all our suppliers.

We look forward to working hand in hand with our partners on its implementation, to help make Nhooder rhyme with Better.



Christian Lema
Global Head of ESG

Daniele Di Giacomo,
Global Head of RFI

TERMS & CONDITIONS

The purpose of this charter is to set out the **ESG prerequisites that apply to the selection, monitoring and support of suppliers**. The Responsible Procurements Charter completes a set of documents also shared with our suppliers, and is inseparable from:

- Our Partners and Affairs Code of Conduct, which sets out the commitments made by the company and its co-contractors with regard to fundamental rights, responsible business conduct and the use of the alert system.
- Our Health, Safety and Human Rights Charter: this charter reflects all the commitments made by the company and its co-contractors with regard to fundamental human rights. In particular, the promotion of health, safety and decent working conditions for all employees, including those working on Nhood-managed sites.

It applies to **all purchases of goods and services made on Nhood's own behalf and on behalf of its principals**, for sites where Nhood acts as delegated project manager and for third-party sites managed by Nhood. It is intended to apply to all commercial relationships, whether as suppliers or service providers, in all countries where Nhood operates. Please note that we do not allow subcontracting to Tier 2 companies, unless it is documented and Nhood allowed it.

By the end of 2028, this charter will be in place for all contracts (appended to the contract signed by the supplier)

A signatory of the **United Nations Global Compact** since 2024, Nhood is committed to adopting, respecting and implementing the ten principles of the UN Global Compact relating to human rights, labor law, environmental protection and anti-corruption. The Responsible Procurements Charter incorporates the [Sustainable Development Goals \(SDGs\)](#) established by the United Nations. It is also based on recognized **international standards** such as the conventions of the International Labour Organization (ILO) and is in line with the ISO 20400 standard on responsible procurements.

The Responsible Procurements approach is structured around the 4 pillars of Nhood's ESG strategy:

- People - Working today for tomorrow
- Planet - Acting within planetary limits
- Profit - Amplifying value creation
- Governance - Operating transparently

By adhering to this charter, the supplier undertakes to **respect all the commitments listed, and to apply them to its own value chain**.

I – SUPPLIERS COMMITMENTS

As a company acting both for its own purchases and on behalf of external principals, Nhood has a duty to act in an exemplary manner. As such, and as a basis for any responsible procurements approach, the supplier and Nhood undertake to **comply with current environmental laws and regulations**, laws and regulations on human rights and fundamental freedoms, competition law and responsible commercial conduct.

In addition, Nhood has made strong commitments through its **ESG roadmap**. Nhood expects its suppliers to make a similar commitment, respecting the major ESG principles set out below. These will be **supplemented by ESG criteria** applied to the specific products or services proposed by the supplier in the tender specifications.



a. People – Working today to shape tomorrow

Guarenteeing respect for human rights



In accordance with the provisions set out in the Code of Ethics for Business and Partners, in the section entitled "Ensuring respect for fundamental rights", suppliers' commitments are as follows:

- Promote **health, safety and decent working conditions** for all its employees, including those working on construction sites and sites managed by Nhood, as well as local residents in the vicinity of operations. In this respect, the supplier undertakes to implement all the safety principles determined by Nhood, in particular through its Health and Safety Charter,
- Establish a **remuneration** system that complies with wage laws and is in line with working hours,
- Fight against **discrimination and harassment** of any kind within its workforce. Accordingly, the supplier undertakes not to discriminate between people on the basis of their age, sex, religious beliefs, political opinions, social or ethnic origin, sexual orientation or identity, disability, marital status, nationality, surname or physical appearance.

- Promoting **the right of association**,
- Fight against **forced labor and child labor** in the context of its activities and within its value chain, notably on construction sites or sites managed by Nhood.

By the end of 2026, the Code of Business and Partner Ethics and the Health & Safety Charter will be in place for all contracts (appended to the contract signed by the supplier)

Ensuring skills development through training



The supplier offers employment opportunities and professional skills development to all its employees through **promotion and training**.

Looking after the health and well-being of employees



The supplier undertakes to implement a **health and safety** policy that guarantees a safe and healthy working environment for its employees, and to maintain an environment in which the dignity of individuals is respected. The



risks associated with its activity must be assessed, and progress plans must be implemented to prevent them. The supplier is required to monitor its health and safety performance in order to promote continuous improvement of its organization.

Monitor compliance with commitments in terms of health, safety and working conditions, in particular for supplier operations on Nhood-managed sites and worksites.



Forging strong ties with regional communities



As far as possible, the supplier shall endeavor to recruit local employees and give priority whenever possible to companies in the local economic fabric; with the aim of contributing to **local economic development**.

Nhood encourages the supplier to support disadvantaged populations from its stakeholders through work opportunities, which can include internships and apprenticeships, helping people to develop their skills and reach their potential.

The supplier is encouraged to support **community involvement** through recognized organizations involved in sustainability and diversity.

b. Planet – Acting within the planetary boundaries

Decarbonizing all the direct activities



Nhood has embarked on an **ambitious carbon trajectory** to reduce its greenhouse gas (GHG) emissions across its entire value chain, covering its Scopes 1, 2 and 3 emissions. Achieving these objectives requires the **active participation** of all Nhood's stakeholders, including its suppliers.

Suppliers must limit the impact of their activities on climate change by reducing their energy consumption and GHG emissions.

Nhood encourages suppliers who have not already done so to **measure their carbon footprint** and set GHG emission reduction targets in line with the Paris Agreement.

By the end of 2026, 100% of our strategic suppliers (tier 1) will have measured their carbon footprint and set a target of zero net carbon emissions.

Leading by example in the environmental management

Circular economy and waste management



The supplier will endeavor to limit the use of **raw materials and natural resources** (water and energy) when sourcing or manufacturing products for Nhood.

Suppliers are encouraged to apply the principles of the **circular economy**

when supplying products or services to Nhood: certification, local origin, eco-design, re-use or recycling, etc.

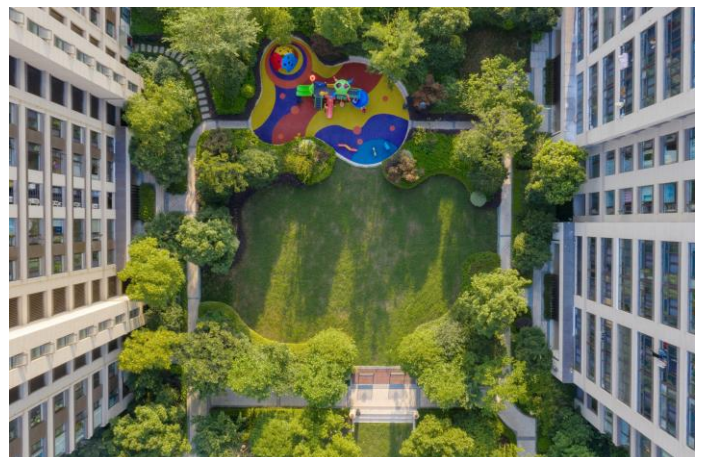
For **wood and wood-based products**, the raw material must be legally harvested, marketed and preferably certified (FSC, PEFC, SFI or other equivalent certification).

The supplier will endeavor to **limit waste generated** within the scope of its contract with Nhood (including construction sites and managed sites) at all stages of operations, production of materials or goods and provision of services, and to ensure appropriate disposal and treatment of waste, favoring material and/or energy recovery.

Air, water and soil pollution



As part of its contract with Nhood, the supplier will strive to **reduce air, water and soil pollution** at all stages of its operations, the production of materials or goods and the provision of services.



Protecting and promoting biodiversity



Nhood encourages its suppliers to identify their **dependencies and impacts on biodiversity**, and then to draw up impact reduction strategies with clear, monitored objectives and priority actions based on the "Avoid, Reduce, Compensate" sequence.

The supplier strives to protect nature, preserve biodiversity and ecosystems. In particular, traceability is crucial, to ensure, for example, that no deforestation has taken place in the upstream supply chain.



c. Profit – Enhancing value creation

Getting the suppliers involved



This charter applies to Nhood's suppliers, who undertake to promote and apply it within **their own subcontracting chain**.

Nhood expects its suppliers to commit to :

- Implement a monitoring process to prevent and manage any risks that may have an environmental and social impact
- Set up their own charter and pass on their principles to their own suppliers and subcontractors



d. Governance – Doing business transparently

Upholding ethics and compliance



Adopting responsible commercial conduct

Ethics are at the heart of Nhood's actions, as it conducts its business relationships with a sense of responsibility and chooses its partners with the utmost rigor. Within the company, the Ethics and Compliance Department is the guarantor of compliance processes.

The Partners and Affairs Code of Conduct sets out the mutual commitments applicable to all parties, whether participants in a call for tenders or partners of Nhood and its principals:

- Respect for the principles of **competition, fairness and clarity** with stakeholders,
- Protecting the communication of **confidential and sensitive** information,
- Strict compliance with legal obligations against **corruption**: we implement the third-party integrity control system provided for in the so-called "Sapin 2" law [1],
- Compliance with regulatory obligations, including the **duty of care** towards our service providers,
- Total transparency regarding **conflicts of interest**. Any situation of conflict of interest must be declared upstream in order to remove any doubt. We proscribe business relationships where personal interests would influence the professional relationship,

- Application of anti-money laundering rules, **terrorist financing and sanctions and embargoes**,
- An **anti-money laundering** correspondent, or equivalent according to current anti-money laundering regulations, declared within the company's team, when the company's activity is subject to this obligation,
- The **principle of neutrality** adopted by Nhood prevents it from voluntarily participating in purchases for the benefit of political parties or religious movements,
- RGPD-compliant **personal data protection** systems.

Whistleblowing platform

Nhood has set up a **whistleblowing system** to handle all reports of doubts, queries or violations of the law and/or the Partners and Affairs Code of Conduct. The supplier undertakes to promote the Nhood alert line among its employees and its subcontracting chain when acting on behalf of Nhood, or to set up channels enabling affected communities to raise their concerns. It can be consulted at speakup.nhood.org. Nhood expects its suppliers to do the same for their own employees, suppliers and subcontractors.

[1] Sapin 2 law : The so-called "Sapin 2" law refers to the law of December 9, 2016 on transparency, the fight against corruption and the modernization of economic life. Under threat of sanctions, it requires companies with at least 500 employees, or belonging to a group whose parent company is headquartered in France with sales in excess of 100 million euros, to take measures to prevent and detect the commission, in France or abroad, of acts of corruption or influence peddling

II – NHOOD'S ESG COMMITMENTS TO SUPPLIERS

In view of Nhood's ESG ambitions and its expectations of its suppliers, Nhood **reciprocally** undertakes to respect and ensure that all its employees respect the rules of professional and personal behavior in terms of business ethics via its employee code of ethics.

Nhood also undertakes to :

- Contribute to regional development by promoting purchasing opportunities **with local suppliers** (in the immediate vicinity of Nhood, whether in the same region or the same country, depending on the purchasing context, and no more than 300 km from the place of use of the product/service purchased) to support employment and local production,

- Promote the use of companies from the **sheltered, adapted and integration sectors**:
 - Social and Solidarity Economy organizations [1]
 - Organizations in the sheltered employment sector (ESAT, EA and EATT) [2]
 - Economic Integration Structures [3]



[1] The concept of social and solidarity-based economy (SSE) refers to a group of companies organized in the form of cooperatives, mutual societies, associations or foundations, whose internal operations and activities are based on a principle of solidarity and social utility.

<https://www.economie.gouv.fr/cedef/economie-sociale-et-solidaire> .

[2] STPA is characterized by 2 types of establishments listed in the **Disability Act of February 11, 2005:**

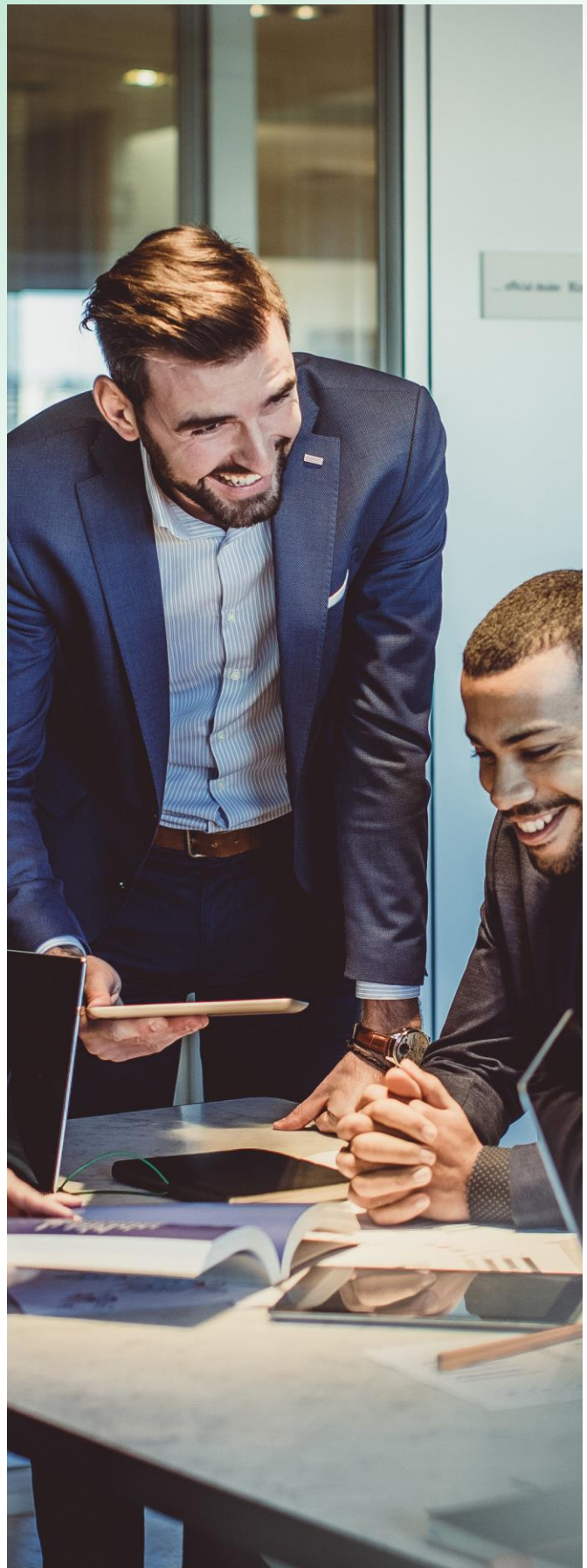
Adapted Enterprises (AE)

Establishments and Services for Aids through Work (ESAT)

Their aim is to help disabled people develop their skills. The sheltered employment sector enables disabled people to work in a caring environment, with managers trained to welcome them. <https://apf-entreprises>.

[3] Integration through economic activity (IAE) enables people who are furthest from employment, due to particular social and professional difficulties (age, state of health, precariousness), to benefit from reinforced support designed to facilitate their social and professional integration through specific employment contracts. SIAE (structures de l'insertion par l'activité économique) sign agreements with the French government enabling them to welcome and support these workers. <https://travail-emploi>.

To adapt to the country case in the translated version



III – CHARTER IMPLEMENTATION

The **Procurement function** is in contact with numerous economic operators. Nhood aims to maintain mutually beneficial relations with each of them, favoring the development of collaborative relationships.

The Purchasing Department advises and coordinates the various departments, thereby contributing to the performance of Nhood and its customers. The buyer dedicated to commercial relations is the **sole coordinator and preferred point of contact** for the supplier or candidate. The charter will be revised regularly to ensure that we continue to set ourselves more ambitious targets.

a – Assessment of suppliers' ESG maturity and performance

Due diligence is carried out on suppliers and candidates regarding the implementation of the commitments mentioned in this charter, both during the selection process and during the relationship.

This assessment takes the form of a **questionnaire and documentary verification**. In connection with this due diligence, suppliers undertake to provide Nhood with any documents and information requested directly or indirectly through an authorized service provider.

These assessments may be repeated during the course of the business relationship. Nhood is willing to share the results of these assessments and to respond positively to similar requests from its suppliers where appropriate.

As part of this charter, Nhood reserves the right to request information on the supplier's extra- financial performance on an **annual basis**.

By 2030, all Nhood markets will use an ESG supplier evaluation platform.



b – Monitoring and support for partners

The charter is **appended to the contracts** of Nhood's suppliers, who, by signing it, undertake to respect it.

As mentioned in the previous section, ESG assessments will be carried out during the business relationship. Following these analyses, **action plans or remedial measures** may be proposed to the supplier, with a view to progress, except in the case of serious breaches. Suppliers are therefore expected to implement remedial actions tailored to sustainability issues.

For example, measures to mitigate climate change, and plans to adapt and reduce the use of energy, particularly fossil fuels, are required. Policies and measures to remediate damage to biodiversity, to resource stress, to prevent damage to social and economic development, and to the health and safety of stakeholders are also crucial.

As are policies to mitigate health and safety risks, discrimination, forced labor and child labor.

Nhood supports and monitors its suppliers through :

- An **annual business review** to assess the quality of the service(s) provided; compliance with Nhood's security rules, and the evolution of ESG maturity and the areas for improvement envisaged to meet the requirements of the present charter; as well as progress on the implementation of the aforementioned remedial actions.
- An **ongoing exchange** of concerns and the customer-supplier relationship as a whole.

By the end of 2026, Nhood is committed to monitoring and supporting its 10 most strategic suppliers

Specific contractual clauses provide a framework for securing contract performance. They provide for an audit of the practices implemented by the supplier to ensure that they comply with the provisions of this charter.



DOCUMENTARY REFERENCES

List of Nhood documents available for consultation on the supplier portal :

- Code of Ethical Conduct for Business and Partners
- Health, Safety and Rights Charter
- ESG Nhood roadmap (available on our website)

FORMALIZING AGREEMENT

Company name :
I, the undersigned, ...[name and position of representative].....
confirm that I have read and agree to the Nhood Responsible Procurements Charter.

The supplier makes a point of setting up processes to engage its employees and their representatives in the expected commitments.

Any breach of the above commitments, depending on the seriousness of the breach, may result in termination of the contract.

Done at :

On :/...../.....

Signature :

Company stamp