

RESPONSIBLE PURCHASE POLICY



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PRESENTATION AND COMMITMENTS OF KILOUTOU

Kiloutou in a few words

As Europe's 3rd largest rental company, Kiloutou has been reconciling business, the environment and people for over 40 years, offering the most innovative solutions to an increasingly diverse customer base.

The Group draws on the skills of nearly 7,000 team members and serves over 400,000 customers across Europe.

The Kiloutou Group network comprises more than 650 branches and offers the widest range on the market with over 1,000 references and more than 350,000 items of equipment in four main product families: earthworks and lifting equipment, utility vehicles and tools.

95% of sales are to professionals.



Our commitments

Kiloutou is a signatory of the United Nations Global Compact and has adopted the 10 principles of the Global Compact and mainly:

- > respecting and promoting the protection of Human Rights;
- > combating all forms of exploitation at work and upholding workers' rights to collective bargaining, freedom of association and non-discrimination;
- > protecting the environment;
- > combating all forms of corruption.

In line with our Reason for Being, Kiloutou is committed to:

- > acting in a manner that is respectful to the planet by sharing equipment and reducing its impact on the environment;
- > enabling its customers to work safely and efficiently;
- > forming a working team that is open, fulfilled, united and ambitious;
- > sharing the fruits of its success.

We believe in the power of sharing to solve today and tomorrow's challenges. Through our collective commitment, we rent equipment that makes our clients' projects more sustainable.

Our 2050 climate targets

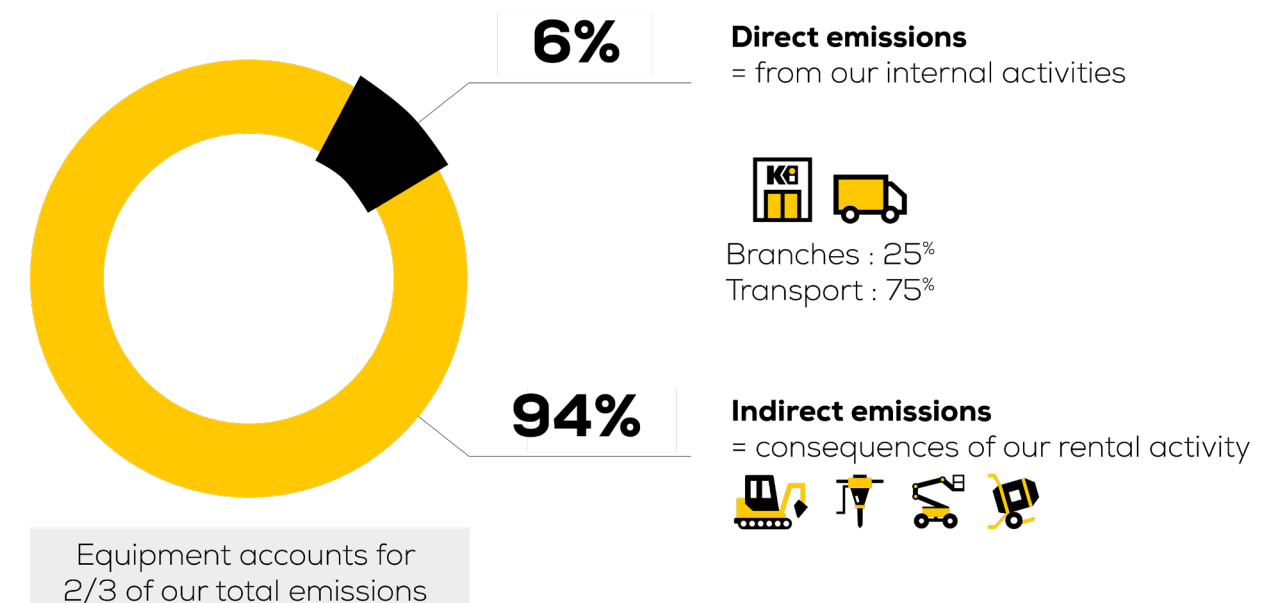
Faced with the challenge of climate change, Kiloutou has committed to a carbon trajectory of -40% on its direct emissions by 2030, and to achieving carbon neutrality by 2050.

These commitments require:

- > internally, a strategy in place to control and reduce the environmental footprint of all our activities;
- > externally: an offer based on the sharing of resources and the use of increasingly sustainable equipment

Work has already begun to reduce direct emissions from buildings and the delivery vehicle fleet.

Kiloutou is committed to reducing indirect emissions linked to its equipment. Partnerships with equipment suppliers are essential for achieving this goal.



PRESENTATION OF PURCHASING OPERATIONS AT KILOUTOU

The role of the purchasing department

The Kiloutou Group's business model is based on the durability and reliability of its equipment. Kiloutou is always seeking to give the best value for money without compromising on safety and compliance.

The equipment purchasing process is therefore a question of strategy and knowledge of equipment manufacturers and their products, so as to be able to assess their value.

In this respect, the Purchase operations are geared to ensure that:

- > equipment complies with the required safety and quality standards, and that customer expectations are reflected in product developments requested from suppliers. The Kiloutou Testing Centre ensures that these guarantees are satisfied;

- > the purchasing process is geared towards TCO (total cost of ownership), so that the cost of purchasing equipment, the cost of its maintenance (including the purchase of spare parts), its resale value and the costs of its removal (recycling, destruction or resale) are taken into account during negotiations;
- > there are close relationships, based on the reliability and ethics of both buyers and suppliers. Kiloutou's buyers are autonomous product managers in their negotiations and are part of a defined process.

Governance of the responsible purchasing policy

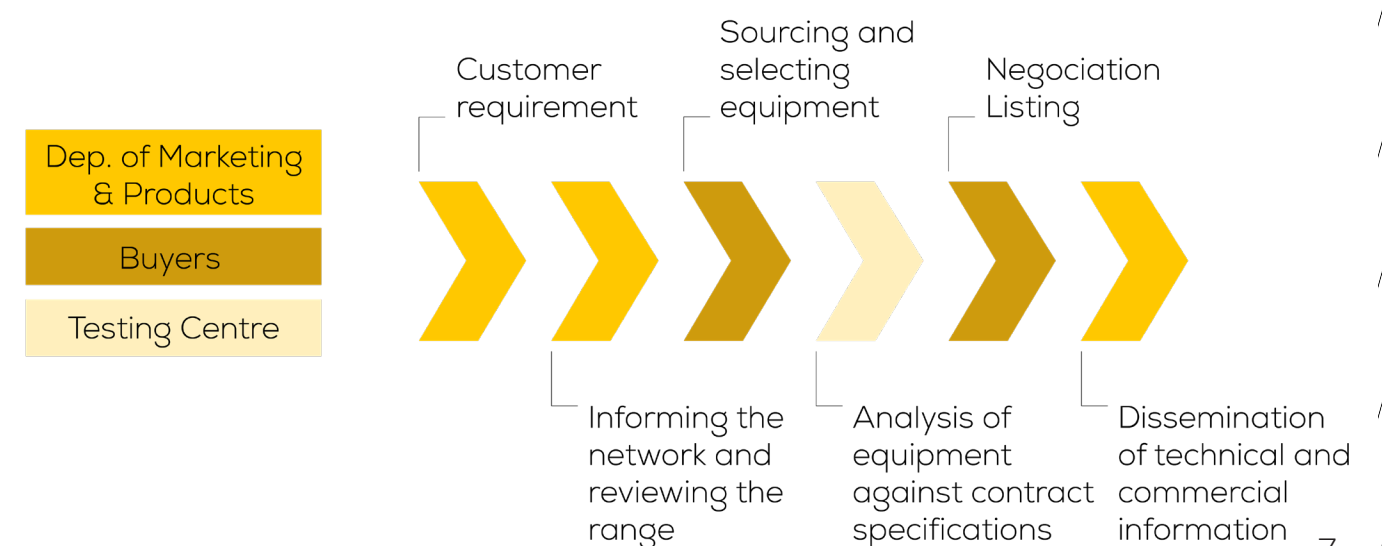
This policy is supported by the Kiloutou Group's Equipment & Sustainable Development Department. It is written and validated by our Sustainable Development and Purchasing Departments. It

is managed by our Group Product Managers for all Kiloutou suppliers. They ensure that it is properly applied and that its objectives are achieved.

Purchasing in figures

- > more than 1,300 referenced suppliers, including 200 equipment suppliers;
- > 4 Product Managers dedicated to purchasing equipment at group level, supported by buyers in each country;
- > 100% of our product managers are trained in responsible purchasing;
- > 100% of referenced equipment has been analysed by our Testing Centre.

The purchase process



KILOUTOU'S REQUIREMENTS OF ITS SUPPLIER PARTNERS

This policy applies to all suppliers of equipment, consumables, sub-contractors and spare parts to the Kiloutou Group.

Characteristics of the partnership

We aim for a close partnership based on mutual trust and grounded on safety, reliability, progress and innovation.

For sustainable, profitable and responsible relationships, Kiloutou requires its suppliers to be transparent and to make a commitment by:

- > signing the Ethics Charter;
- > communicating the manufacturing sites of equipment;

Presentation of the ethical charter

In line with Kiloutou's commitment to the United Nations Global Compact, the Kiloutou Ethics Charter sets the standards for ethics and integrity.

- > providing the opportunity of visiting manufacturing sites;
- > communicating their level of Sustainable Development maturity by an ECOVADIS rating;
- > full control of their supply chain.

It formalises the commitments expected by Kiloutou in terms of ethics, the prevention of corruption, respect for human rights, and international labour standards and health protection.

Assessing supplier performance

An assessment of supplier performance is conducted each year.

The results are communicated in a fully transparent manner to suppliers, and if the results do not meet Kiloutou's requirements, an action plan may be drawn up. A site audit may be carried out.

The assessment is conducted in relation to the following criteria:

- > the quality and reliability of equipment supplied;
- > the evolution of costs;
- > meeting deadlines;
- > sales support and training;
- > sustainability maturity and commitments (see page 10).



Assessing the sustainability maturity of its suppliers

Kiloutou asks its suppliers to conduct a Sustainability assessment using the ECOVADIS platform, and undertakes to discuss their level of Sustainability maturity with them, and to support them should they encounter any difficulties.

This assessment is mandatory once a certain level of annual sales has been achieved, the threshold for which is defined each year.

Kiloutou is committed to ensuring that 90% of its annual expenses (equipment, supplies, outsourcing and spare parts) are covered by an ECOVADIS assessment.

Distribution and revision

This Responsible Purchasing Policy is communicated to all Kiloutou Group Suppliers. It is available in French and English on

For those suppliers concerned, the assessment is carried out every two years.

For suppliers with Gold and Platinum ECOVADIS ratings, the periodicity may be extended to 3 years.

In certain cases, for example in the event of a low ECOVADIS rating, an assessment may be required annually together with the implementation of remedial action. If major risks are identified, Kiloutou may request a visit to manufacturing sites.

the Group’s website. It may be revised according to changes in the Group’s strategy and/or legislation.

RESPONSIBLE PURCHASING
TARGETS FOR SUPPLIERS
OF EQUIPMENTS, SUPPLIES,
OUTSOURCING AND SPARE
PARTS

Product managers are assigned targets in these different areas. The achievement of these targets is assessed and challenged twice a year by the Responsible Purchasing Committee.

THEME	SCOPE	TARGET
RESPONSIBLE PURCHASE TRAINING	Product managers trained in responsible purchasing.	100%
ETHICS CHARTER	The Ethics Charter must be signed if a certain level of annual sales has been achieved, the threshold of which is defined each year.	100%
CONTRACT WITH SUSTAINABLE DEVELOPMENT CLAUSES	Contracts signed by suppliers contain clauses providing the requirements of Kiloutou on matters relating to the environment, working conditions and Human rights	100%
ECOVADIS ASSESSMENT	An assessment must be conducted if a certain level of annual sales has been achieved, the threshold of which is defined each year. For those suppliers concerned, the assessment is carried out every two years.	100%
COUNTRY OF MANUFACTURE OF EQUIPMENT	The countries of manufacture of referenced equipment are identified.	100%
ON SITE AUDIT	Every year, supplier manufacturing sites are audited.	4 per year for the Group Purchasing Department